

EAST RENFREWSHIRE COUNCILCabinet30 October 2025Report by the Chief Financial Officer and Director of EnvironmentHOUSING CAPITAL PROGRAMME**PURPOSE OF REPORT**

1. The purpose of this report is to monitor both income and expenditure as at 30 September 2025 against the approved Housing Capital Programme and to recommend adjustments where required.

RECOMMENDATIONS

2. The Cabinet is asked to recommend that Council:
 - a) note and approve the movements within the programme; and
 - b) note the shortfall of £0.165m and that income and expenditure on the programme will be managed and reported on a regular basis.

BACKGROUND

3. The Housing Capital Programme for 2025-2035 was approved by Council on 26 February 2025.
4. Movements on the 2025/26 programme were approved by Council on 25 June 2025, including a number of changes resulting from the finalisation of the outturn position for the previous financial year.
5. This report updates project costs and phasings based on progress to date and anticipated to 31 March 2026.
6. The programme is being constantly monitored to ensure any additional cost pressures on key projects can be covered by deferring or reducing other projects to compensate.

CURRENT POSITION

- | | | |
|----|--|------------------|
| 7. | Total anticipated expenditure (Appendix A) | £ 10.906m |
| | Total anticipated resources (Appendix B) | £ <u>10.741m</u> |
| | Shortfall | £ <u>0.165m</u> |

EXPENDITURE

8. The estimated expenditure has reduced by £0.816m below the level reported to Council on 25th June 2025. Key expenditure movements are as follows: -

- **Rewiring**

This project includes rewiring on void properties which is performed on an ad hoc basis, as and when properties become available. Based on activity to date and updated forecasts of likely activity in these areas expenditure in the current year has been reduced by £0.082m.

- **External Structural Works**

A new contract for major works in this area has recently been awarded, with site works scheduled to commence during November 2025. These timescales are later than originally anticipated due to the need for clarifications before finalising the contract. As a result, projected expenditure for the current financial year has been reduced by £1.556 million. However, the contract will span a four-year period to support business continuity, and this adjustment reflects a rephasing of costs across financial years rather than a reduction in overall investment.

- **Energy Efficiency Standard for Social Housing**

Only essential works are being progressed within this area and less urgent works deferred while management await revised energy efficiency guidance from the Scottish Government. As a consequence, expenditure in the year has been reduced by £0.058m.

- **Aids and Adaptations**

This is also a demand lead expenditure area aimed at helping older residents to stay in their homes for a longer period of time. Latest information indicates a reduced demand this year. Consequently, expenditure in the current year has been reduced by £0.115m.

- **IT systems**

A key post within the project team is now vacant and undergoing recruitment. While the project remains in progress, it has been necessary to delay some of the project activities to the 2026/27 financial year. Consequently, expenditure in the financial year has reduced by £0.097m.

- **New Build – Commercial Road**

A provision of £0.500m has been added to the programme to progress the design costs of new build housing. These design costs will be covered in full by grant income and the issue is subject of separate report to this Cabinet meeting.

- **Purchase of Additional Housing Units (Off-the-Shelf)**

As reported to Council on 25 June 2025, this project contributes to addressing the housing emergency and is eligible for increased Scottish Government grant funding. An additional grant of £0.876 million has now been confirmed, and a corresponding expenditure provision has been added to the programme.

INCOME

9. The main adjustments to resources since the monitoring position was reported to Council on 25 June 2025 are as follows: -

- **New Build Commercial Road**

As outlined in paragraph 8 above, government grant has been secured for initial costs associated with the new build development at Commercial Road. Income in the current year has been increased by £0.500m.

- **Off the Shelf Properties**

Again, as outlined in paragraph 8 above, government grant of £0.876m to support purchase off-the-shelf properties has been secured. Income in the current year has been increased accordingly.

- **Capital Reserve**

In response to the expenditure and income movements outlined above the planned use of the reserve during the year has been reduced by £2.000m.

COMMENT

10. The projected shortfall of £0.165m represents 1.5% of the resources available and is within manageable limits.

PARTNERSHIP WORKING

11. This report has been prepared following consultation with appropriate staff from Housing Services.

RECOMMENDATIONS

12. The Cabinet is asked to recommend that Council:
 - a) note and approve the movements within the programme; and
 - b) note the shortfall of £0.165m and that income and expenditure on the programme will be managed and reported on a regular basis.

Further information is available from Paul Parsons, Corporate Finance Manager, telephone 0141 577 3073 or email paul.parsons@eastrenfrewshire.gov.uk.

Kirsty Stanners
Head of Finance
KS/PP
20 October, 2025

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EAST RENFREWSHIRE COUNCIL**HOUSING CAPITAL PROGRAMME****PROGRESS REPORT****2025/26**

COST CODE	PROJECT NAME	ANNUAL COSTS £'000			COMMENT	TOTAL COST £'000		
		CURRENT YEAR APPROVED 25.06.2025	PROJECTED OUTTURN FOR CURRENT YEAR	ACTUAL EXPENDITURE TO 30.09.2025		SPENT PRIOR TO 31.03.25	PREVIOUS TOTAL COST	REVISED TOTAL COST
835000002	Renewal of Heating Systems	250	223	182	Work in progress	0	250	223
832000001	Rewiring (including smoke/carbon monoxide detectors)	338	256	51	Work in progress	0	338	256
831000002	External Structural Works	2,920	1,364	283	Work in progress	0	2,920	2,920
835000008	Estate Works	548	500	87	Work in progress	0	548	500
835000006	Energy Efficiency Standard for Social Housing	200	142	20	Work in progress	0	200	200
835000010	Aids and Adaptations	350	235	50	Work in progress	0	350	235
831500001	Internal Element Renewals (including kitchens, bathrooms and doors)	1,950	1,930	298	Work in progress	0	1,950	1,950
835000005	Communal Door Entry Systems	450	402	88	Work in progress	0	450	402
835000012	Sheltered Housing	314	292	197	Work in progress	0	314	292
830500003	Purchase of Property (CPO/Mortgage to Rent Acquisition)	50	0	0	Based on Scottish Government referrals	0	50	0
835000003	IT Systems	250	153	24	Work in progress	0	400	400

EAST RENFREWSHIRE COUNCIL**HOUSING CAPITAL PROGRAMME****PROGRESS REPORT****2025/26**

COST CODE	PROJECT NAME	ANNUAL COSTS £'000			COMMENT
		CURRENT YEAR APPROVED 25.06.2025	PROJECTED OUTTURN FOR CURRENT YEAR	ACTUAL EXPENDITURE TO 30.09.2025	
	Maidenhill Areas A1-A3 (105 units)	78	27	10	Complete - payments outstanding
	Barrhead Road Newton Mearns (17 units)	2,530	2,512	21	Work in progress
	New Build- Commercial Road		500	2	Design costs
	Site Investigations & Acquisitions	484	484	17	Work in progress
	Purchase of Additional Housing Units - "Off-the-Shelf"	1,000	1,876	150	Work in progress
N/A	Retentions	10	10	0	
		11,722	10,906	1,480	

TOTAL COST £'000		
SPENT PRIOR TO 31.03.25	PREVIOUS TOTAL COST	REVISED TOTAL COST
19,259	19,337	19,286
0	4,200	4,200
0	0	500
0	1,059	1,059
0	1,000	1,876
0	10	10
19,259	33,376	34,309

EAST RENFREWSHIRE COUNCILHOUSING CAPITAL PROGRAMME 2025/26PROGRESS REPORTRESOURCES

	£'000	£'000
Borrowing		210
Commuted Sums		1,180
Grant - New Build		
- Barrhead Road Newton Mearns	1,900	
- Commercial Road Barrhead	<u>500</u>	2,400
Grant Income (Off the Shelf Purchases)		876
Recharges to Owner Occupiers (including HEEPS grant)		75
Capital Receipts/Use of Capital Reserve		5,400
Contribution from HRA Reserve		400
Capital From Current Revenue		200
Purchase of Property - Mortgage to Rent Acquisition		0
Total		<u>10,741</u>

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