



REPORT TO: COMMUNITIES COMMITTEE ON 27 AUGUST 2019

**SUBJECT: HOUSING AND PROPERTY SERVICES BUDGET MONITORING –
30 JUNE 2019**

**BY: CORPORATE DIRECTOR (ECONOMIC DEVELOPMENT,
PLANNING AND INFRASTRUCTURE)**

1. REASON FOR REPORT

- 1.1 This report presents the budget position for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period up to 30 June 2019.
- 1.2 This report is submitted to Committee in terms of section III G (1) of the Council's Scheme of Administration relating to the management of budgets.

2. RECOMMENDATION

- 2.1 It is recommended that Communities Committee considers and notes the budget monitoring report for the period to 30 June 2019.**

3. BACKGROUND

- 3.1 The Council agreed the HRA Budget for 2019/20 at its meeting on 27 February 2019 (paragraph 6 of the Minute refers). Housing and Property budget monitoring reports are presented to each cycle of meetings.

4. HOUSING REVENUE ACCOUNT TO 30 JUNE 2019

- 4.1 **APPENDIX I** details the HRA budget position to 30 June 2019.
- 4.2 The main expenditure variances relate to:–
- 4.2.1 **Supervision and management** – there are a range of variations within this budget resulting in a net overspend of £9k. There were overspends in void rent loss (£35k), ICT (£16k), subscriptions (£7k) and council tax (£5k). This was reduced by underspends in staffing (£34k), a miscoded payment to SACRO (£11k), Training (£3k), tenant participation (£3k) and other minor underspends (£3k).

- 4.2.2 **Sheltered Housing** – there was an underspend of £2k due to lower than expected energy costs.
- 4.2.3 **Repairs and maintenance** – there was an underspend of £151k in the repairs and maintenance budgets with planned works (£34k), response repairs (£58k) and voids (£59k) all showing underspends to date.
- 4.2.4 **Bad and doubtful debts** – there was an underspend of £21k to date due to fewer write offs than expected being approved in the period.
- 4.2.5 **Downsizing Incentive Scheme** – there was an underspend of £5k with fewer transfers completed in the Quarter 1 than projected.
- 4.2.6 **Service Developments** – the budget of £39k included provision for ICT improvements (£5k), a review of the Housing Business Plan (£12k) and funding for the Research and Information Officer within the Community Safety Team (£22k). The budget is showing a minor underspend of £3k to date.
- 4.2.7 The income at 30 June 2019 was £2k higher than projected outturning at £5,238k for the first quarter.

5. OTHER HOUSING BUDGET

- 5.1 **APPENDIX II** provides details of the budget position to 30 June 2019.
- 5.2 **Planning and Development** consists of Improvement Grants and Affordable Housing budgets. There was an overspend of £2k to date.
- 5.3 **Housing Management** relates to the Gypsy/Traveller Budget. This shows a £7k underspend primarily due to underspends in staffing and the provision of chemical toilets.
- 5.4 **Homelessness/Allocations** comprises of Homelessness and Housing Support services. There was an underspend of £17k in this budget with an underspend in homelessness (£18k) reduced by minor overspends in housing support and homeless persons (combined £1k).
- 5.5 **Miscellaneous General Services Housing** comprises of House Loans, a maintenance bond from Grampian Housing Association and the new complex needs development at Urquhart Place, Lhanbryde. There was an underspend of £7k across the three budgets. An underspend in Urquhart Place (£11k) was reduced by overspend in the maintenance bond (£4k) which is now exhausted.
- 5.6 **The Building Services Budget** is reported in detail separately on this Committee's agenda and any surplus achieved will return to the HRA.
- 5.7 **The Property Services Budget** includes the budgets for the Design Team and Property Resources. There was an underspend of £35k to date with Design showing a £9k underspend and Property £26k.

5.8 As at 30 June 2019, the Other Housing Budget shows a net underspend of £71k.

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The provision of new affordable housing, the maintenance of the Council's housing stock and dealing with homelessness are priorities identified within the Corporate Plan, the Council's Local Housing Strategy, the Strategic Housing Investment Plan (SHIP) and the Housing and Property Service Plan.

(b) Policy and Legal

There are no policy or legal implications arising from this report.

(c) Financial Implications

The financial implications of this report are considered in Sections 4 and 5 of this report and detailed in **APPENDICES I** and **II**.

(d) Risk Implications

Budget managers are aware of their responsibilities for managing budget allocations and approval for variance will be sought from the Committee in line with Financial Regulations.

(e) Staffing implications

None.

(f) Property

None.

(g) Equalities/Socio Economic Impact

There are no equalities/socio economic impacts arising from this report.

(h) Consultations

This report has been prepared in close consultation with Finance staff. Consultation on this report has been carried out with Deborah O'Shea (Principal Accountant), Legal Services Manager, Senior Managers within Housing and Property Services, and Caroline Howie (Committee Services Officer) who all agree the content of the report where it relates to their area of responsibility.

7 CONCLUSION

7.1 This report sets out the budget position for the HRA and General Services Housing budgets to 30 June 2019 and also comments on the variances on these budgets.

Author of Report: Graeme Davidson, Acting Head of Housing and Property
Background Papers: Held by author
Ref: CC/JS/LS – Housing Budgets –