



**REPORT TO: ECONOMIC GROWTH, HOUSING AND ENVIRONMENTAL
SUSTAINABILITY COMMITTEE ON 24 AUGUST 2021**

**SUBJECT: HOUSING AND PROPERTY SERVICES BUDGET MONITORING –
30 JUNE 2021**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND
FINANCE)**

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 2021.
- 1.2 This report is submitted to the Economic Growth, Housing and Environmental Sustainability Committee following a decision of Moray Council on 17 June 2020 to agree a simplified committee structure as a result of the COVID-19 pandemic. In the case of this Committee, the combining of the delegated responsibilities of Economic Development and Infrastructure, Community Services (Housing and Property) and Finance (budget, capital and revenue monitoring) (paragraph 9 of the Minute refers).

2. RECOMMENDATION

- 2.1 **It is recommended that the Committee considers and notes the budget monitoring report for the period to 30 June 2021.**

3. BACKGROUND

- 3.1 The Council agreed the HRA Budget for 2021/22 at a Moray Council meeting on 18 February 2021 (paragraph 7 of the Minute refers). Housing and Property budget monitoring reports are presented to each cycle of meetings.
- 3.2 The COVID-19 pandemic and subsequent lock down period has impacted on the budget spend as the service concentrated on responding to the immediate crisis.

4. HOUSING REVENUE ACCOUNT TO 30 JUNE 2021

- 4.1 **APPENDIX I** details the HRA budget position to 30 June 2021.
- 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 underspend of £38k. This includes underspends in staffing (£65k), arising from vacancies and the budget provision for pay award not being paid yet and was partially offset by an overspend in relation to voids (£25k).
- 4.2.2 **Repairs and maintenance** – there was an underspend of £349k in the repairs and maintenance budget. Underspends include planned maintenance (£174k), response repairs (£38k) and voids (£137k).
- 4.2.4 **Bad and doubtful debts** – there was an underspend of £14k against provision for bad & doubtful debts.
- 4.2.5 **Downsizing Incentive Scheme** – there was an underspend of £16k, with fewer transfers taking place.
- 4.2.6 **Service Developments** – there is an underspend of £24k, with £10k arising from a vacancy that has not yet been filled, £11k on consultancy allocated for the Business Plan, Housing Need & Demand Assessment and Tenant Satisfaction Survey, as well as £3k for software costs.
- 4.2.7 The income at 30 June 2021 was £17k lower than expected. This is due mainly to fewer rechargeable repairs being invoiced.

5. **OTHER HOUSING BUDGET**

- 5.1 **APPENDIX II** provides details of the budget position to 30 June 2021.
- 5.2 **Planning and Development** - consists of Improvement Grants and Affordable Housing budgets. The position at 30 June 2021 shows an underspend of £27k. This budget is administered by the Integrated Joint Board and activity levels have been lower as a consequence of the pandemic.
- 5.3 **Housing Management** - relates to the Gypsy/Traveller budget. The position at 30 June 2021 shows an underspend of £9k mainly due to staffing.
- 5.4 **Homelessness/Allocations** - comprises of Homelessness and Housing Support services. There was an overspend of £3k in this budget. Homelessness is a “high risk” budget and pressures can quickly arise if homelessness increases. Service Managers continue to closely monitor this budget.
- 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. The budget is showing an overall underspend of £7k which is attributable to an underspend of £9k in repairs & maintenance for the property and a £2k overspend due to the maintenance bond being exhausted.
- 5.6 **The Building Services Budget** - is reported in detail separately on this Committee’s agenda and any surplus achieved or deficit 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 £52k to date with underspends in Central Repairs and Maintenance (£21k), Shared Buildings (£11k) mainly due to energy costs and industrial estates rental income (£20k).
- 5.8 The service has also incurred £2k of expenditure to date directly relating to the response to the COVID-19 pandemic. This relates to building alterations/recommissioning works.
- 5.9 As at 30 June 2021, the Other Housing budget shows a net underspend of £219k.

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), Aileen Scott (Legal Services Manager), Senior Managers within Housing and Property Services, and Lissa Rowan (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 2021 and also comments on the variances on these budgets.**

Author of Report:	Edward Thomas, Head of Housing and Property
Background Papers:	Held by author
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