



REPORT TO: COMMUNITIES COMMITTEE ON 25 SEPTEMBER 2018

**SUBJECT: HOUSING AND PROPERTY SERVICES BUDGET MONITORING –
30 JUNE 2018**

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

1. REASON FOR REPORT

- 1.1 This report presents the budget monitoring for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period to 30 June 2018.
- 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 2018.**

3. BACKGROUND

- 3.1 The Council agreed the HRA Budget for 2018/19 at its meeting on 14 February 2018 (paragraph 13 of the Minute refers). Housing and Property budget monitoring reports are presented to each cycle of meetings.

4. HOUSING REVENUE ACCOUNT TO 30 JUNE 2018

- 4.1 **APPENDIX I** details the HRA budget position to 30 June 2018.
- 4.2 The main expenditure variances relate to:–

Supervision and management – there is a range of variations within this budget resulting in a net underspend of £19k. There are underspends in Staffing (£56k) and Training (£3k) which is reduced by overspends on voids £37k, ICT (£2k) and other minor overspends (£1k).

Sheltered Housing – there is an underspend of £5k due mainly to lower energy costs. This position is likely to change over the winter months.

Repairs and maintenance – there is an underspend of £328k in the repairs and maintenance budget with underspends in response repairs (£327k) and voids (£173k) reduced by an overspend in planned maintenance (£172k). The underspend in response repairs was due to the implementation of revised

recharging arrangements for response repairs from 1 April 2018. Recharges for April and May have still to be added to the ledger so the next report to this Committee in November will present a more accurate reflection of true spend to date.

Bad and doubtful debts – there has been an underspend of £5k to date due to fewer write offs than expected being approved in Quarter 1. This position will change as the year progresses.

Downsizing Incentive Scheme – there is a £7k overspend to date. It was expected to take a further report to this Committee on the resources required to manage and promote the downsizing scheme but due to competing work pressures within the Housing Service and Human Resources, this report will now be presented to this Committee in November 2018.

Service Developments – this budget includes provision for ongoing ICT improvements (£5k) and a full Tenants Survey (£18k). No spend has been committed from this budget to date.

- 4.3 The income at 30 June 2018 is £31k lower than projected. Increased income from mainly garage sites (£8k) is reduced by a reduced income in house rents (£25k) and higher than expected tenant rechargeable repairs (£14k). The income from house rents will increase over the remainder of the year as new build properties come on stream.

5. **OTHER HOUSING BUDGET**

- 5.1 **APPENDIX II** provides details of the budget position to 30 June 2018.

- 5.2 **Planning and Development** consists of Improvement Grants and Affordable Housing budgets. There is an underspend of £13k as a result of fewer improvement grants being processed in the period.

- 5.3 **Housing Management** relates to the Gypsy/Traveller Budget. This shows a £1k underspend due to minor underspends mainly in staffing and the provision of chemical toilets.

- 5.4 **Homelessness/Allocations** comprises homelessness, Landlord Registration and housing support services. An underspend to date of £39k is due to variances across a range of budgets. Underspends in Landlord Registration (£5k), Homeless Persons (£20k) and Homelessness (£15k) is reduced by an overspend in housing support (£1k).

- 5.5 **The Building Services Budget** is reported in detail separately on this Committee's agenda and any surplus achieved will return to the HRA.

- 5.6 **The Property Services Budget** covers the cost of the Design and Property Resources sections of the service. An underspend of £107k has occurred due to variances across a range of budgets. The major variances relate to underspends in Design (£64k) and Property Resources (£43k). Across each of these separate budgets the main underspend is staffing which has a direct link to the fee income levied at year end.

- 5.7 As at 30 June 2018, the Other Housing Budget shows a net underspend of £443k.

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 and 10 Year Plan, the Council's Local Housing Strategy and 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 Tracey Sutherland (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 2018 and also comments on the variances on these budgets.**

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