



---

**REPORT TO: HOUSING AND COMMUNITY SAFETY COMMITTEE ON 19  
OCTOBER 2021**

**SUBJECT: HOUSING AND PROPERTY SERVICES BUDGET MONITORING –  
31 AUGUST 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 31 August 2021.
- 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 the Committee considers and notes the budget monitoring report for the period to 31 August 2021.**

**3. BACKGROUND**

- 3.1 The Council agreed the HRA Budget for 2021/22 at the 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 31 AUGUST 2021**

- 4.1 **APPENDIX I** details the HRA budget position to 31 August 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 £64k. This includes underspends in staffing (£106k), 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 (£37k) and other minor cumulative spend, mainly Council Tax on empty properties (£5k).
- 4.2.2 **Repairs and maintenance** – there was an underspend of £351k in the repairs and maintenance budget, which is attributable to the restrictions in non essential repairs at the start of the financial year. Underspends include planned maintenance (£240k) and voids (£151k), which were partially offset by an overspend in response repairs (£40k).
- 4.2.3 **Bad and doubtful debts** – there was an underspend of £15k against provision for bad & doubtful debts.
- 4.2.4 **Downsizing Incentive Scheme** – there was an underspend of £19k, with fewer transfers taking place.
- 4.2.5 **Service Developments** – there is an underspend of £33k, with £17k arising from a vacancy that has not yet been filled, £11k on consultancy allocated for the Business Plan, Housing Need and Demand Assessment and Tenant Satisfaction Survey, as well as £5k for software costs.
- 4.2.6 The income at 31 August 2021 was £43k 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 31 August 2021.
- 5.2 **Planning and Development** - consists of Improvement Grants and Affordable Housing budgets, including disabled adaptations. The position at 31 August 2021 shows an overspend of £34k, attributable to a shortfall in grant income against budget of £81k, partially offset by underspends in discretionary grants (£45k) and admin (£2k). This budget is administered by the Integrated Joint Board.
- 5.3 **Housing Management** - relates to the Gypsy/Traveller budget. The position at 31 August 2021 shows an underspend of £14k mainly due to staffing.
- 5.4 **Homelessness/Allocations** - comprises of Homelessness and Housing Support services. There was an overspend of £16k in this budget, comprised of £7k for Sheltered Housing, £5k for temporary accommodation and £4k in other homelessness services. This includes one-off legal costs and reflects the fluid nature of service demands.
- 5.5 **Miscellaneous General Services Housing** - comprises of House Loans, a maintenance bond from Grampian Housing Association and the complex needs development at Urquhart Place, Lhanbryde. The budget is showing an overall underspend of £8k which is attributable to an underspend of £13k in

repairs & maintenance for the property and a £5k 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 overall underspend of £115k to date. Within the Design Team there were underspends in Industrial Estates (£80k), partially offset by a £10k overspend in Architects due to software costs and £7k in energy efficiency due to delays in receiving renewable heat incentive payments. Property Resources underspent by £52k, of which £28k related to planned works, £8k staffing and £3k for maintenance and £13k for shared buildings.
- 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 31 August 2021, the Other Housing budget shows a net underspend of £465k.

## **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), the 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 31 August 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  
Ref: SPMAN-1285234812-923