
To: Communities and Housing Policy Board

On: 16 August 2022

Report by: Director of Finance and Resources

Heading: General Services Revenue, Housing Account and Capital Budget
Monitoring as at 24 June 2022

1. Summary of Financial Position

- 1.1. The projected outturn at 31 March 2023 for all services (including the housing revenue account) reporting to the Communities, Housing and Planning Policy Board is an overspend position of £0.138m (1.1%) against the revised budget for the year. This can be further analysed as a projected overspend in general services activities of £0.138m and a break even position in the HRA.
- 1.2. The projected capital outturn at 31 March 2023 for projects reported to the Communities, Housing and Planning Policy Board is a breakeven position of £28.087m against the revised budget for the year-
- 1.3. This is summarised over the relevant services in the table below and further analysis is provided in the Appendices.

Table 1: Revenue					
Division / Department	Revised Annual Budget £000	Projected Outturn Core £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Housing Revenue Account (HRA)	£0	£0	£0	£0	0%
Communities & Housing Directorate	£11	£11	£11	£0	0%
Housing - General Services (Not HRA)	£4,941	£4,941	£4,941	£0	0%
Communities and Public Protection (excluding Regulatory Services)	£3,766	£3,766	£3,766	£0	0%
Economy & Development	(£189)	(£51)	(£51)	(£138)	(73.0%)
Criminal Justice	£3,713	£3,713	£3,713	£0	0%

Table 2: Capital				
Division / Department	Revised Annual Budget £000	Projected Outturn £000	Budget Variance £000	Budget Variance %
Housing Revenue Account (HRA)	£26,795	£26,795	£0	0%
Other Housing PSHG	£1,292	£1,292	£0	0%

2. Recommendations

Members are requested to:

- 2.1. Note the projected HRA and Revenue outturn position detailed in Table 1 above;
- 2.2. Note the projected Capital outturn position detailed in Table 2 above; and
- 2.3. Note the budget adjustments detailed at sections 4 and 6.

3. Revenue

- 3.1. The Revenue Budget Monitoring report at Appendix 1 identifies a projected overspend of £0.138 million (1.1% of total budget) for all services reporting to this Policy Board. Detailed division service reports can be also be found here, along with an explanation of each significant projected variance.
- 3.2. The projected outturn is based on information currently available, and assumptions made by service budget holders. Any changes to these projections will be detailed in future reports to the Board.

- 3.3. The main reason for the projected outturn positions are indicated below the tables showing both the subjective analysis (what the budget is spent on) and the objective analysis (which division is spending the budget).
- 3.4. The projected overspend of £0.138 million, includes an estimated under-recovery in planning fees of £0.080 million. This represents c. 10% of targeted income and reflects a reasonable estimate of income in the current economic and financial climate.

4. Revenue Budget Adjustments

- 4.1. Members are requested to note from Appendix 1 that budget adjustments totalling £0.934m have been processed since the previous finance report to board. These relate wholly to:
 - £0.009m – Adult Social Care pay uplift
 - £0.240m – Council motion for fly-tipping enforcement
 - £0.060m – Duke of Edinburgh Scottish Attainment Funding
 - (£0.004m) – Right For Renfrewshire Savings
 - £0.660m – Additional funding for Criminal Justice outwith settlement
 - (£0.031m) – Planning Services service budget realignment

5. Communities and Housing Services Capital

- 5.1. The Capital Investment Programme 2022/23 to 2026/27 was approved by the Council on 3rd March 2022. For Communities and Housing Services the approved capital spend for 2022/23 is £28.087m.
- 5.2. The Capital Monitoring report at Appendix 2 indicates net budget adjustments in the approved capital programme for Communities, Housing and Planning Services for the year of (£2.954m) largely within HRA to reflect revised cash flows following contract awards.
- 5.3. Further detail, including reasons for significant variances (where applicable), can be found at Appendix 2.

6. Capital Budget Adjustments

- 6.1. Since the last report, budget changes totalling (£2.954m) have arisen which reflect the following:

Budget Carried Forward to 2023-24 from 2022-23 (£2.800m):

- **HRA**
 - Improvements to Existing Properties (£2.800m) for updated cash flows following award of contracts for improvement to existing properties and heating upgrades;

Budget Reduced (£0.400m) in 2022-23 to reflect revised estimated costs after award of contracts were lower than estimated costs:

- **HRA**
 - Improvements to Existing Properties (£0.150m) for lift refurbishments;
 - Regeneration (£0.250m) for demolitions at Tannahill.

Budget brought forward from 2021-22 to 2022-23 (£0.246m):

- **PSHG**
 - To reflect cash flow timings of payments (£0.246m).

Implications of this report

1. **Financial** – The projected budget outturn position for Communities, Housing and Planning Services Revenue budget is an overspend of £0.138m (1.1% of total budget). All Income and expenditure, in all services within the department will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend.

The projected outturn position for Communities, Housing and Planning Services' Capital budget is breakeven. The Capital programme will continue to be monitored closely for the rest of the financial year and, where necessary, steps will be taken to mitigate any overspend.

Any changes to current projections in either Revenue or Capital budgets will be reported to the board as early as possible, along with an explanation for the movement.

2. HR and Organisational Development

None directly arising from this report.

3. Community/Council Planning

None directly arising from this report.

4. Legal

None directly arising from this report.

5. Property/Assets

Capital projects will result in new build Council housing stock and improvements to existing stock.

6. Information Technology

None directly arising from this report.

7. Equality and Human Rights

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. Health and Safety

None directly arising from this report.

9. Procurement

None directly arising from this report.

10. Risk

The potential risk that the Council will overspend its approved budgets for the year will be managed at a Council-wide level by the Chief Executive and Directors.

11. Privacy Impact

None directly arising from this report.

12. Cosla Policy Position

N/a.

13. Climate Risk

None directly arising from this report.

List of Background Papers

Housing Revenue Account Budget & Rent Levels 2022/23 and Housing Capital Investment Plan 2022/23 to 2023/24;

Non-housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2022/23 – 26/27.

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 24 June 2022

POLICY BOARD : COMMUNITIES AND HOUSING - All SERVICES

Objective Summary	Approved Annual Budget	Budget Adjustments	Revised Annual Budget P3	Projected Outturn Core Business	Total Projected Outturn	Budget Variance (Adverse) or Favourable	
	£000	£000	£000	£000	£000	£000	%
Housing Revenue Account (HRA)	0	0	0	0	0	0	0.0%
Communities and Housing Directorate	11	0	11	11	11	0	0.0%
Housing - General Services (Not HRA)	4,932	9	4,941	4,941	4,941	0	0.0%
Communities and Public Protection (excluding Regulatory Services)	3,470	296	3,766	3,766	3,766	0	0.0%
Building Standards	(158)	(31)	(189)	(51)	(51)	(138)	(73.0%)
Criminal Justice	3,053	660	3,713	3,713	3,713	0	0.0%
NET EXPENDITURE	11,308	934	12,242	12,380	12,380	(138)	(1.1%)

Objective Heading	Key Reasons for Projected Variance
Housing Revenue Account (HRA)	Overall the HRA is projecting a break even position at the year end. Employee costs are projected to underspend due to the ongoing recruitment to vacancies within the service. The resultant underspend is currently forecast to allow for an increase in debt repayments at the year end in line with the councils financial strategy of debt smoothing. Repairs and Maintenance budgets have been increased in line with expectations for 2022/23, this however remains a potential pressure and will be closely monitored throughout the year.
Communities and Housing Directorate	No significant projected year end variances to report.
Housing - General Services (Not HRA)	No significant projected year end variances to report. The ongoing recruitment to vacancies within the service will continue to be monitored closely.
Communities and Public Protection (excluding Regulatory Services)	No significant projected year end variances to report. The ongoing recruitment to vacancies within the service will continue to be monitored closely.
Building Standards	The projected overspend relates to staffing costs where vacancies are filled as they arise to maintain service provision, meaning turnover targets are not being achieved. In addition, Building Standards fee income remains impacted by the current economic and financial climate with a projected under-recovery of c. 10% of targeted income.
Criminal Justice	No significant projected year end variances to report

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 24 June 2022

POLICY BOARD : COMMUNITIES AND HOUSING - GENERAL SERVICES (excluding HRA)

Subjective Summary	Approved Annual Budget	Budget Adjustments	Revised Annual Budget P3	Projected Outturn Core Business	Total Projected Outturn	Budget Variance (Adverse) or Favourable	
	£000	£000	£000	£000	£000	£000	%
Employees	8,998	497	9,495	9,648	9,648	(153)	(1.6%)
Premises Related	1,633	0	1,633	1,617	1,617	16	1.0%
Transport Related	182	0	182	197	197	(15)	(8.4%)
Supplies and Services	1,960	0	1,960	1,923	1,923	37	1.9%
Third Party Payments	85	0	85	86	86	(1)	(1.5%)
Transfer Payments	2,633	(231)	2,402	2,359	2,359	43	1.8%
Support Services	1,247	0	1,247	1,245	1,245	2	0.2%
Depreciation and Impairment Losses	(23)	0	(23)	(23)	(23)	0	0.0%
GROSS EXPENDITURE	16,715	266	16,981	17,053	17,053	(72)	(0.4%)
Income	(5,407)	668	(4,739)	(4,673)	(4,673)	(66)	(1.4%)
NET EXPENDITURE	11,308	934	12,242	12,380	12,380	(138)	(1.1%)

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY
1st April to 24th June 2022
POLICY BOARD: COMMUNITIES & HOUSING

Project Title	Prior Years Expenditure to 31/03/2022 £000	Current Year 2022-23						Full Programme - All years			
		Approved Budget 2022-23 £000	Budget Adjustments in 2022-23 £000	Revised Budget 2022-23 £000	Projected Outturn 2022-23 £000	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-27 £000	Projected Outturn to 31-Mar-27 £000	Budget Variance (Adverse) or Favourable	
HOUSING(HRA)											
Improvements To Existing Properties	0	10,967	(3,250)	7,717	7,717	0	0%	57,167	57,167	0	0%
Regeneration	5,233	4,738	750	5,488	5,488	0	0%	20,565	20,565	0	0%
Other Assets	0	2,640	0	2,640	2,640	0	0%	7,795	7,795	0	0%
Non Property Expenditure	0	350	0	350	350	0	0%	1,750	1,750	0	0%
Council House New Build	33,782	9,000	0	9,000	9,000	0	0%	62,782	62,782	0	0%
Professional Fees	0	2,300	(700)	1,600	1,600	0	0%	7,700	7,700	0	0%
Total Housing(HRA) Programme	39,015	29,995	(3,200)	26,795	26,795	0	0%	157,759	157,759	0	0%
HOUSING(PSHG)											
Private Sector Housing Grant Programme	0	1,046	246	1,292	1,292	0	0%	1,292	1,292	0	0%
Total Housing(PSHG) Programme	0	1,046	246	1,292	1,292	0	0%	1,292	1,292	0	0%
TOTAL COMMUNITIES, HOUSING & PLANNING BOARD	39,015	31,041	(2,954)	28,087	28,087	0	0%	159,051	159,051	0	0%

*Rolling programmes have a prior year year expenditure of £0 as the expenditure is not directly linked from one year to the next as a singular project.