

**To:** Communities and Housing Policy Board

**On:** 31 October 2023

**Report by:** Director of Finance and Resources

**Heading:** General Services Revenue, Housing Revenue Account (HRA) and Capital Budget Monitoring as at 15 September 2023

## 1. Summary of Financial Position

- 1.1. The projected outturn at 31 March 2024 for all services reporting to the Communities and Housing Policy Board, including the Housing Revenue Account, is an overspend position of (£0.005m) (0.0%) against the revised budget for the year. This can be further analysed as a projected underspend in General Services activities of (£0.005m) and a break-even position in the HRA.
- 1.2. The projected capital outturn at 31 March 2024 for projects reported to the Communities and Housing Policy Board is a break-even position against the revised budget of £21.495m for the year.
- 1.3. This is summarised over the relevant services in the table below and further analysis is provided in the appendices.

<b>Table 1: Revenue</b>				
<b>Division / Department</b>	<b>Revised Annual Budget £000</b>	<b>Projected Outturn £000</b>	<b>Budget Variance £000</b>	<b>Budget Variance %</b>
Housing Revenue Account (HRA)	0	0	0	0%
Housing – General Services (Not HRA)	4,682	4,682	0	0%
Communities and Public Protection	6,047	6,052	(5)	(0.1%)
Criminal Justice	3,190	3,190	0	0%
<b>Board Total – Revenue</b>	<b>13,919</b>	<b>13,924</b>	<b>(5)</b>	<b>0.0%</b>

<b>Table 2: Capital</b>				
<b>Division / Department</b>	<b>Revised Annual Budget £000</b>	<b>Projected Outturn £000</b>	<b>Budget Variance £000</b>	<b>Budget Variance %</b>
Housing Revenue Account (HRA)	20,378	20,378	0	0%
Other Housing PSHG	1,117	1,117	0	0%
<b>Board Total – Capital</b>	<b>21,495</b>	<b>21,495</b>	<b>0</b>	<b>0%</b>

## **2. Recommendations**

Members are requested to:

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

## **3. Revenue**

- 3.1. The Revenue Budget Monitoring Statement at Appendix 1 identifies a projected overspend of (£0.005m) (0.0% of total budget) for all services reporting to this Policy Board. Detailed division service reports can 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. Projections are subject to continuous review, and any changes will be detailed in future reports to the Board.
- 3.3. The main reason for the projected outturn positions are indicated below the Appendix 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 (£0.005m), is due to a small overspend in employee costs within the Community Learning & Development Service.

## **4. Revenue Budget Adjustments**

- 4.1. Members are requested to note, from Appendix 1, budget adjustments totalling £0.239m have been processed since the budget was approved in March 2023. The most significant adjustment being:
  - (£0.205m) – Transfer to Private Sector Housing Reserve from General Services to support future investment priorities.

## **5. Communities and Housing Services Capital**

- 5.1. The Capital Investment Programme 2023/24 to 2027/28 was approved by the Council on 2 March 2023. For Communities and Housing Services the approved capital spend for 2023/24 is £30.795m.
- 5.2. The Capital Monitoring report at Appendix 2 indicates net budget adjustments in the approved capital programme for Communities and Housing Services of (£9.300m), as explained in 6.1 below.

## **6. Capital Budget Adjustments**

- 6.1. Since the last report on the 22 August 2023, budget changes within HRA capital projects totalling £9.300m have arisen, which reflect the following:
    - Budget carried forward into 2024/25 from 2023/24 of (£8.960m) due to timing in works being started:
      - External Improvements Framework Year 1 (£3.000m)
      - Architectural Design Fees (£1.000m)
      - Regeneration and Renewal programme (£4.610m)
      - Gallowhill Council House New Build (£0.350m)
    - Budget decrease of (£0.340m) due to fee reduction:
      - Multi Storey Flats General (£0.140m)
      - Housing Investment Team Fees (£0.200m)
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## Implications of this report

1. **Financial** – The projected budget outturn position for Communities and Housing Services Revenue budget is an overspend of (£0.005m) (0.0% of total budget). 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 significant overspend.

The projected outturn position for Communities and Housing Services' Capital budget is break-even. 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 significant 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**

None directly arising from this report.

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 budget 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.

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**List of Background Papers**

Housing Revenue Account Budget & Rent Levels 2023/24 and Housing Capital Investment Plan 2023/24 to 2027/28, Council, 2 March 2023;

Non-housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2023/24 – 2027/28, Council, 2 March 2023.

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**RENFREWSHIRE COUNCIL**  
**REVENUE BUDGET MONITORING STATEMENT 2023/24**  
**1 April 2023 to 15 September 2023**

**POLICY BOARD : COMMUNITIES AND HOUSING - All SERVICES**

Objective Summary	Annual Budget at Period 3	Budget Adjustments	Revised Annual Budget at Period 6	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%		£000
Housing Revenue Account (HRA)	0	0	0	0	0	0.0%	0	0
Housing - General Services (Not HRA)	4,906	(224)	4,682	4,682	0	0.0%	0	0
Communities and Public Protection (including Regulatory Services)	6,062	(15)	6,047	6,052	(5)	(0.1%)	343	(348)
Criminal Justice	3,190	0	3,190	3,190	0	0.0%	0	0
<b>NET EXPENDITURE</b>	<b>14,158</b>	<b>(239)</b>	<b>13,919</b>	<b>13,924</b>	<b>(5)</b>	<b>0.0%</b>	<b>343</b>	<b>(348)</b>

Objective Heading	Key Reasons for Projected Variance
Housing Revenue Account (HRA)	A projected underspend in employee costs is due to the timing of recruitment of vacancies within the service. Property costs are projected to overspend, reflecting ongoing demands for repair and maintenance provision, particularly in void properties. Transfer payments continue to forecast an overspend, owing to the impact of repairs pressures on void rent loss, as well as additional Council Tax costs for these properties. These overspends are expected to be offset by additional interest income due to higher than budgeted interest rates. Overall, the HRA is therefore still projected to break-even at year-end.
Housing - General Services (Not HRA)	There is a continuing increased demand for homelessness accommodation, impacting on rental costs, Council Tax and furniture for temporary accommodation units. The forecasted overspends are expected to be offset by additional rental income received in relation to these units. All budget lines are being closely monitored with an aim to mitigate the overspends anticipated as a result of these demand pressures.
Communities and Public Protection	This area is projecting a small overspend within the Community Learning & Development service. Following the recent restructure, the Head of Service is developing plans to use the previously identified underspend to fund one-off pressures this year, and reviewing the overall budget with Finance to both ensure it is appropriately allocated going forward and to identify any savings opportunities.
Criminal Justice	No significant projected year end variances to report.

RENFREWSHIRE COUNCIL  
REVENUE BUDGET MONITORING STATEMENT 2023/24  
1 April 2023 to 15 September 2023

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

Subjective Summary	Annual Budget at Period 3	Budget Adjustments	Revised Annual Budget at Period 6	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	12,379	(182)	12,197	12,249	(52)	(0.4%)	135	(187)
Premises Related	1,990	(45)	1,945	2,239	(294)	(15.1%)	(227)	(67)
Transport Related	170	1	171	206	(35)	(20.3%)	(27)	(8)
Supplies and Services	3,241	53	3,294	3,449	(155)	(4.7%)	38	(193)
Third Party Payments	87	0	87	89	(2)	(2.3%)	3	(5)
Transfer Payments	2,635	(194)	2,441	2,509	(68)	(2.8%)	(44)	(24)
Support Services	56	(2)	54	13	41	76.6%	28	13
Depreciation and Impairment Losses	(23)	0	(23)	(18)	(5)	(21.7%)	(5)	0
<b>GROSS EXPENDITURE</b>	<b>20,535</b>	<b>(369)</b>	<b>20,166</b>	<b>20,735</b>	<b>(569)</b>	<b>(2.8%)</b>	<b>(101)</b>	<b>(470)</b>
Income	(6,377)	130	(6,247)	(6,811)	564	9.0%	444	122
<b>NET EXPENDITURE</b>	<b>14,158</b>	<b>(239)</b>	<b>13,919</b>	<b>13,924</b>	<b>(5)</b>	<b>0.0%</b>	<b>343</b>	<b>(348)</b>

RENFREWSHIRE COUNCIL  
REVENUE BUDGET MONITORING STATEMENT 2023/24  
1 April 2023 to 15 September 2023

**POLICY BOARD : COMMUNITIES, HOUSING AND PLANNING SERVICES - Housing Revenue Account (HRA) Only**

Subjective Summary	Annual Budget at Period 3	Budget Adjustments	Revised Annual Budget at Period 6	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	11,007	91	11,098	10,839	259	2.3%	290	(31)
Premises Related	20,397	(109)	20,288	21,589	(1,301)	(6.4%)	(925)	(376)
Transport Related	103	0	103	51	52	50.5%	52	0
Supplies and Services	792	(59)	733	683	50	6.8%	(54)	104
Third Party Payments	49	0	49	49	0	0.0%	(88)	88
Transfer Payments	4,190	209	4,399	5,139	(740)	(16.8%)	(479)	(261)
Support Services	2,492	0	2,492	2,500	(8)	(0.3%)	45	(53)
Depreciation and Impairment Losses	19,089	0	19,089	19,089	0	0.0%	0	0
<b>GROSS EXPENDITURE</b>	<b>58,119</b>	<b>132</b>	<b>58,251</b>	<b>59,938</b>	<b>(1,687)</b>	<b>(2.9%)</b>	<b>(1,158)</b>	<b>(529)</b>
Income	(58,119)	(132)	(58,251)	(59,938)	1,687	2.9%	1,158	529
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0</b>



**RENFREWSHIRE COUNCIL**  
**CAPITAL INVESTMENT STRATEGY**  
**1st April to 15th September 2023**  
**POLICY BOARD: COMMUNITIES & HOUSING**

Project Title	Prior Years Expenditure to 31/03/2023  £000	Current Year 2023-24						Full Programme - All years			
		Annual Budget at P3 2023-24  £000	Budget Adjustments  £000	Revised Budget 2023-24  £000	Projected Outturn 2023-24  £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	
<b>HOUSING(HRA)</b>											
Improvements To Existing Properties	0	13,390	(3,140)	10,250	10,250	0	0%	113,885	113,885	0	0%
Regeneration	7,045	9,378	(4,610)	4,768	4,768	0	0%	106,953	106,953	0	0%
Other Assets	0	1,815	0	1,815	1,815	0	0%	12,500	12,500	0	0%
Non Property Expenditure	0	1,550	(1,000)	550	550	0	0%	1,550	1,550	0	0%
Council House New Build	41,358	1,680	(350)	1,330	1,330	0	0%	74,599	74,599	0	0%
Professional Fees	0	1,865	(200)	1,665	1,665	0	0%	9,415	9,415	0	0%
<b>Total Housing(HRA) Programme</b>	<b>48,403</b>	<b>29,678</b>	<b>(9,300)</b>	<b>20,378</b>	<b>20,378</b>	<b>0</b>	<b>0%</b>	<b>318,902</b>	<b>318,902</b>	<b>0</b>	<b>0%</b>
<b>HOUSING(PSHG)</b>											
Private Sector Housing Grant Programme	0	1,117	0	1,117	1,117	0	0%	1,117	1,117	0	0%
<b>Total Housing(PSHG) Programme</b>	<b>0</b>	<b>1,117</b>	<b>0</b>	<b>1,117</b>	<b>1,117</b>	<b>0</b>	<b>0%</b>	<b>1,117</b>	<b>1,117</b>	<b>0</b>	<b>0%</b>
<b>TOTAL COMMUNITIES, HOUSING &amp; PLANNING BOARD</b>	<b>48,403</b>	<b>30,795</b>	<b>(9,300)</b>	<b>21,495</b>	<b>21,495</b>	<b>0</b>	<b>0%</b>	<b>320,019</b>	<b>320,019</b>	<b>0</b>	<b>0%</b>

\*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.