

To: Communities and Housing Policy Board

On: 25 October 2022

Report by: Director of Finance and Resources

Heading: General Services Revenue, Housing Revenue Account (HRA) and Capital Budget Monitoring as at 16 September 2022

1. Summary of Financial Position

- 1.1. The projected outturn at 31 March 2023 for all services reporting to the Communities and Housing Policy Board, including the Housing Revenue Account, is an underspend position of £0.028m (0.2%) against the revised budget for the year. This can be further analysed as a projected underspend in General Services activities of £0.028m and a break-even position in the HRA.
- 1.2. The projected capital outturn at 31 March 2023 for projects reported to the Communities and Housing Policy Board is a break-even position against the revised budget of £28.087m 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 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Housing Revenue Account (HRA)	£0	£0	£0	£0	0%
Communities & Housing Directorate	£11	£13	£13	(£2)	0%
Housing - General Services (Not HRA)	£5,172	£5,235	£5,235	(£63)	0%
Communities and Public Protection (including Regulatory Services)	£5,774	£5,681	£5,681	£93	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 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 Statement at Appendix 1 identifies a projected underspend of £0.028m (0.2% 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 underspend is £0.028m. This includes an estimated underspend in operating costs within the Community Learning & Development Service and the CCTV function, and this incorporates an anticipated increase in utility costs.

4. Revenue Budget Adjustments

- 4.1. Following changes agreed by the Council on 29 September 2022, this report excludes Building Standards, which now reports to the Planning & Climate Change Policy Board. The total budget is adjusted by £0.189m to reflect this transfer. Further, this report now includes Regulatory Services, which previously reported to the Infrastructure, Land and Environment Policy Board. The total budget is adjusted by £1.775m to reflect this transfer.

4.2. Members are requested to note from Appendix 1 that budget adjustments totalling £0.464m have been processed since the previous finance report to board. These relate wholly to:

- £0.037m – Housing Support Pay Uplifts
- £0.194m – Transfer from Tenant Hardship Grant Fund Reserve
- £0.233m – Summer Holiday Food & Child Care Programme

5. Communities and Housing Services Capital

5.1. The Capital Investment Programme 2022/23 to 2026/27 was approved by the Council on 3 March 2022. For Communities and Housing Services the approved capital spend for 2022/23 is £28.087m.

6. Capital Budget Adjustments

6.1. The Capital Monitoring report at Appendix 2 indicates that there have been no budget adjustments since the previous Policy Board.

Implications of this report

1. **Financial** – The projected budget outturn position for Communities and Housing Services Revenue budget is an underspend of £0.028m (0.2% 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 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 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, Council, 3 March 2022;

Non-housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2022/23 – 2026/27, Council, 3 March 2022.

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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	£000
Housing Revenue Account (HRA)	0	0	0	0	0	0.0%	0	0
Communities and Housing Directorate	11	0	11	13	(2)	(18.2%)	0	(2)
Housing - General Services (Not HRA)	4,941	231	5,172	5,235	(63)	(1.2%)	0	(63)
Communities and Public Protection (including Regulatory Services)	5,541	233	5,774	5,681	93	1.6%	0	93
Criminal Justice	3,713	0	3,713	3,713	0	0.0%	0	0
NET EXPENDITURE	14,206	464	14,670	14,642	28	0.2%	0	28

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 of vacancies within the service. However, Repairs & Maintenance costs are likely to overspend by over £2m against budget. The resultant overspend will decrease debt repayments at the year end in line with the councils financial strategy of debt smoothing.
Communities and Housing Directorate	No significant projected year end variances to report.
Housing - General Services (Not HRA)	There is an operating overspend of £0.063m, mainly due to the demand for furniture for homelessness accommodation, and an increase in expected utility costs.
Communities and Public Protection (including Regulatory Services)	There is an underspend projected, due to a planned reduction in Payments to Other Bodies in Community Learning & Development, along with a projected underspend on telephone costs within the CCTV service.
Criminal Justice	No significant projected year end variances to report

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 16 September 2022

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	11,384	157	11,541	11,557	(16)	(0.1%)	(96)	80
Premises Related	1,679	0	1,679	1,743	(64)	(3.8%)	16	(80)
Transport Related	172	0	172	232	(60)	(34.9%)	(15)	(45)
Supplies and Services	2,445	43	2,488	2,611	(123)	(4.9%)	37	(160)
Third Party Payments	87	0	87	86	1	1.1%	(1)	2
Transfer Payments	2,133	264	2,397	2,377	20	0.8%	43	(23)
Support Services	1,091	0	1,091	1,099	(8)	(0.7%)	2	(10)
Depreciation and Impairment Losses	(23)	0	(23)	(23)	0	0.0%	0	0
GROSS EXPENDITURE	18,967	464	19,431	19,684	(253)	(1.3%)	(14)	(239)
Income	(4,761)	0	(4,761)	(5,042)	281	5.9%	14	267
NET EXPENDITURE	14,206	464	14,670	14,642	28	0.2%	0	28

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2022/23
1 April 2022 to 16 September 2022

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	10,568	0	10,568	9,531	1,037	9.8%	345	692
Premises Related	16,352	0	16,352	18,685	(2,333)	(14.3%)	25	(2,358)
Transport Related	103	0	103	96	7	6.8%	0	7
Supplies and Services	737	0	737	792	(55)	(7.5%)	0	(55)
Third Party Payments	27	0	27	72	(45)	(166.7%)	0	(45)
Transfer Payments	3,900	0	3,900	4,121	(221)	(5.7%)	0	(221)
Support Services	2,490	0	2,490	2,493	(3)	(0.1%)	0	(3)
Depreciation and Impairment Losses	20,775	0	20,775	18,274	2,501	12.0%	(370)	2,871
GROSS EXPENDITURE	54,952	0	54,952	54,065	887	1.6%	0	887
Income	(54,952)	0	(54,952)	(54,065)	(887)	(1.6%)	0	(887)
NET EXPENDITURE	0	0	0	0	0	0.0%	0	0

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY
1st April to 16th September 2022
POLICY BOARD: COMMUNITIES & HOUSING

Project Title	Prior Years Expenditure to 31/03/2022	Current Year 2022-23						Full Programme - All years			
		Approved Budget 2022-23	Budget Adjustments in 2022-23	Revised Budget 2022-23	Projected Outturn 2022-23	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-27	Projected Outturn to 31-Mar-27	Budget Variance (Adverse) or Favourable	
		£000	£000	£000	£000			£000	£000		
HOUSING(HRA)											
Improvements To Existing Properties	0	10,967	(3,250)	7,717	7,717	0	0%	57,167	57,167	0	0%
Regeneration	4,633	4,738	750	5,488	5,488	0	0%	20,865	20,865	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	38,415	29,995	(3,200)	26,795	26,795	0	0%	158,059	158,059	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	38,415	31,041	(2,954)	28,087	28,087	0	0%	159,351	159,351	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.