
To: Communities, Housing and Planning Services Policy Board

On: 15 March 2022

Report by: Director of Finance and Resources

Heading: General Services Revenue, Housing Account and Capital Budget
Monitoring as at 7 January 2022

1. Summary of Financial Position

- 1.1. The projected outturn at 31 March 2022 for all services (including the housing revenue account) reporting to the Communities, Housing and Planning Policy Board is an overspend position of £0.076m (0.6%) against the revised budget for the year. This can be further analysed as a projected overspend in general services activities of £0.076m and a break even position in the HRA.
- 1.2. The projected capital outturn at 31 March 2022 for projects reported to the Communities, Housing and Planning Policy Board is a breakeven position of £21.436m 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.
- 1.4. For the financial year 2021/22, the projected outturn position is split into Core (or business as usual) and COVID-19 related variances to help readers understand the impact of the pandemic on service finances.

Division / Department	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Housing Revenue Account (HRA)	£0	£34	(£34)	£0	£0	0%
Communities & Housing Directorate	£14	£14	£0	£14	£0	0%
Housing - General Services (Not HRA)	£4,959	£4,959	£15	£4,974	(£15)	(0.3%)
Communities and Public Protection (excluding Regulatory Services)	£3,748	£3,464	£154	£3,618	£130	3.5%
Economy & Development	£191	£382	£0	£382	(£191)	100%
Criminal Justice	£3,598	£3,598	£0	£3,598	£0	0%

Division / Department	Revised Annual Budget £000	Projected Outturn Core £000	Projected Outturn COVID-19 £000	Total Projected Outturn £000	Budget Variance £000	Budget Variance %
Housing Revenue Account (HRA)	£20,126	£20,126	£0	£20,126	£0	0%
Other Housing PSHG	£1,240	£1,240	£0	£1,240	£0	0%
Development & Housing Projects – Green network	£70	£70	£0	£70	£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 £0.076 million (0.6% 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. 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 £0.076 million, includes an estimated under-recovery in planning fees of £0.167 million. This represents 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 £0.015m have been processed since the previous finance report to board. These relate wholly to:
 - £0.016m – Adult Social Care pay uplift
 - (£0.001m) – transfer to Property Services for repairs & maintenance works

5. Communities, Housing and Planning Services Capital

- 5.1. The Capital Investment Programme 2021/22 to 2025/26 was approved by the Council on 4th March 2021. For Communities, Housing and Planning Services the approved capital spend for 2021/22 is £20.126m.
- 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 (£1.750m). This is within the HRA to reflect expected timing of smoke and heat detector installations and work related to the Council House New Build projects.
- 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 (£1.750m) have arisen which reflect the following:

Budget Carried Forward to 2022-23 from 2021-22 (£1.750m):

- **HRA**
 - Regeneration (£0.400m) to reflect expected timing of demolitions at Johnstone Castle and Tannahill;
 - Other Assets (£0.750m) for expected completion of installation of smoke alarm and heat detectors in early 2022-23;
 - Council House New Build (£0.600m) in relation to updated cash flows received for the Tannahill new build project.
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Implications of this report

1. **Financial** – The projected budget outturn position for Communities, Housing and Planning Services Revenue budget is an overspend of £0.076m (0.6% 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 2021/22 and Housing Capital Investment Plan 2022/22 to 2023/24;

Non-housing Capital Investment Programme, Prudential Framework and Treasury Management Strategy, and Capital Strategy 2021/22 – 25/26..

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

POLICY BOARD : COMMUNITIES, HOUSING AND PLANNING SERVICES - All SERVICES

Objective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Housing Revenue Account (HRA)	0	0	0	34	(34)	0	0	0.0%	0	0
Communities and Housing Directorate	14	0	14	14	0	14	0	0.0%	0	0
Housing - General Services (Not HRA)	4,943	16	4,959	4,959	15	4,974	(15)	(0.3%)	3	(18)
Communities and Public Protection (excluding Regulatory Services)	3,749	(1)	3,748	3,464	154	3,618	130	3.5%	(59)	189
Economy & Development	191	0	191	382	0	382	(191)	(100.0%)	(136)	(55)
Criminal Justice	3,598	0	3,598	3,598	0	3,598	0	0.0%	0	0
NET EXPENDITURE	12,495	15	12,510	12,451	135	12,586	(76)	(0.6%)	(192)	116

Objective Heading	Key Reasons for Projected Variance
Housing Revenue Account (HRA)	Overall the HRA is projecting a break even position at the year end. It should be noted that employee costs will be underspent due to vacancies within the service and the resultant resources will be utilised to undertake additional housing repairs & maintenance works. In addition, there is a projected overspend on void rent loss this year, which will be offset by decreased debt repayments at the year end in line with the councils financial strategy of debt smoothing.
Development & Housing Directorate	No projected year end variances to report.
Housing - General Services (Not HRA)	The projected overspend at the year end is £15k which represents additional staff costs as a result of COVID
Communities and Public Protection (excluding Regulatory Services)	Overall Communities & Public Protection are projecting a year end underspend of £130K. This underspend has occurred as a result of staffing resources within Public Protection being diverted to undertake work on various national COVID initiatives such as the mobile testing programme/test and trace etc. The costs of the staff time for these activities will be recovered direct from Greater Glasgow and Clyde Health Board and will result in additional one off income in the current year. The projected Council Covid costs, incurred by the service, total £154K and this represents an under-recovery of income of £100K in rental of halls for community learning and employee costs of £54k which are directly related to Council Covid activities.
Economy & Development Services	The adverse variance mainly reflects a projected under-recovery of Planning Fee income, 10% of targeted income. This represents a reasonable estimate of income levels in the current economic and financial climate, as we follow the route map out of the COVID pandemic.
Criminal Justice Services	No projected year end variances to report.

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

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

Subjective Summary	Revised Annual Budget at P8	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	10,276	(1)	10,275	10,071	69	10,140	135	1.3%	4	131
Premises Related	1,665	0	1,665	1,697	0	1,697	(32)	(1.9%)	(17)	(15)
Transport Related	188	0	188	207	0	207	(19)	(10.1%)	(0)	(19)
Supplies and Services	2,587	(84)	2,503	2,569	0	2,569	(66)	(2.6%)	(35)	(31)
Third Party Payments	85	0	85	101	0	101	(16)	(18.8%)	(16)	0
Transfer Payments	1,947	100	2,047	2,080	0	2,080	(33)	(1.6%)	42	(75)
Support Services	1,428	0	1,428	1,411	0	1,411	17	1.2%	(3)	20
Depreciation and Impairment Losses	(23)	0	(23)	(23)	0	(23)	0	0.0%	0	0
GROSS EXPENDITURE	18,153	15	18,168	18,113	69	18,182	(14)	(0.1%)	(25)	13
Income	(5,658)	0	(5,658)	(5,696)	100	(5,596)	(62)	(1.1%)	(166)	104
NET EXPENDITURE	12,495	15	12,510	12,417	169	12,586	(76)	(0.6%)	(190)	116

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 7 January 2022

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

Subjective Summary	Revised	Budget	Revised	Projected	Projected	Total	Budget Variance		Previous	Movement
	Annual Budget at P8	Adjustments	Annual Budget	Outturn Core Business	Outturn COVID-19	Projected Outturn	(Adverse) or Favourable		Projected Outturn	
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	9,212	0	9,212	8,598		8,598	614	6.7%	586	28
Premises Related	15,231	0	15,231	16,765		16,765	(1,534)	(10.1%)	(1,624)	90
Transport Related	103	0	103	75		75	28	27.2%	30	(2)
Supplies and Services	807	0	807	766	(70)	696	111	13.8%	112	(1)
Third Party Payments	26	0	26	40		40	(14)	(53.8%)	0	(14)
Transfer Payments	3,949	0	3,949	3,984		3,984	(35)	(0.9%)	(17)	(18)
Support Services	2,490	0	2,490	2,488		2,488	2	0.1%	0	2
Depreciation and Impairment Losses	21,885	0	21,885	20,816		20,816	1,069	4.9%	1,177	(108)
GROSS EXPENDITURE	53,703	0	53,703	53,532	(70)	53,462	241	0.4%	263	(22)
Income	(53,703)	0	(53,703)	(53,498)	36	(53,462)	(241)	(0.4%)	(263)	22
NET EXPENDITURE	0	0	0	34	(34)	0	0	0.0%	0	(0)

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
1st April to 7th January 2022
POLICY BOARD: COMMUNITIES, HOUSING & PLANNING

Project Title	Prior Years Expenditure to 31/03/2021* £000	Current Year 2021-22					Full Programme - All years						
		Approved Budget 2021-22 £000	Budget Adjustments in 2021-22 £000	Revised Budget 2021-22 £000	Projected Outturn 2021-22 £000	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-26 £000	Projected Outturn to 31-Mar-26 £000	Budget Variance (Adverse) or Favourable			
HOUSING(HRA)													
Improvements To Existing Properties	0	9,087	(3,310)	5,777	5,777	0	0%	45,939	45,939	0	0%		
Regeneration	4,465	625	(400)	225	225	0	0%	7,595	7,595	0	0%		
Other Assets	0	3,390	(830)	2,560	2,560	0	0%	8,515	8,515	0	0%		
Non Property Expenditure	0	100	0	100	100	0	0%	300	300	0	0%		
Council House New Build	23,663	11,300	(936)	10,364	10,364	0	0%	88,858	88,858	0	0%		
Professional Fees	0	1,100	0	1,100	1,100	0	0%	3,600	3,600	0	0%		
Total Housing(HRA) Programme	28,128	25,602	(5,476)	20,126	20,126	0	0%	154,807	154,807	0	0%		
HOUSING(PSHG)													
Private Sector Housing Grant Programme	0	1,550	(310)	1,240	1,240	0	0%	1,686	1,686	0	0%		
Total Housing(PSHG) Programme	0	1,550	(310)	1,240	1,240	0	0%	1,686	1,686	0	0%		
DEVELOPMENT & HOUSING SERVICES													
Local Green Area Networks Projects	0	70	0	70	70	0	0%	70	70	0	0%		
Total Development & Housing	0	70	0	70	70	0	0%	70	70	0	0%		
TOTAL COMMUNITIES, HOUSING & PLANNING BOARD	28,128	27,222	(5,786)	21,436	21,436	0	0%	156,563	156,563	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.