

To: Communities and Housing Policy Board

On: 14 January 2025

Report by: Director of Finance and Resources & Director of Environment, Housing and Infrastructure

Heading: General Services Revenue, Housing Revenue Account (HRA) and Capital Budget Monitoring as at 8 November 2024

1. Summary

- 1.1 At the close of reporting Period 8 on 8 November 2024, the projected revenue outturn at 31 March 2025 for those services reporting to the Communities and Housing Policy Board, including the Housing Revenue Account, is break-even against the revised budget for the year in General Services and a break-even position in the HRA.
- 1.2 The projected capital outturn at 31 March 2025 for projects reporting to the Communities and Housing Policy Board, is a break-even position.
- 1.3 This is summarised over the relevant services in the table below and further analysis is provided in the report and appendices.

	Revised Annual Budget £000	Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Revenue				
Housing Revenue Account (HRA)	0	0	0	0.0%
Housing – General Services (Non-HRA)	4,904	4,904	0	0.0%
Communities and Public Protection	5,882	5,882	0	0.0%
Criminal Justice	4,092	4,092	0	0.0%
Total	14,878	14,878	0	0.0%

	Revised Annual Budget £000	Projected Outturn £000	Budget Variance (Adv)/Fav £000	Budget Variance %
Capital				
Housing Revenue Account (HRA)	30,862	30,862	0	0.0%
Other Housing PSHG	1,186	1,186	0	0.0%
Total	32,048	32,048	0	0.0%

2. Recommendations

2.1 Members are requested to:

- a) Note the projected Revenue outturn break-even position.
- b) Note the projected Capital outturn break-even position.
- c) Note the drawdown from General Fund earmarked reserves totalling £0.255m as noted in section 5.1 and 5.4.
- d) Note the drawdown from HRA reserves of £0.518m as noted in section 5.9.
- e) Agree to homologate the budget adjustments detailed at section 7.2.

3. Revenue Budget Projection – break-even by 31 March 2025

- 3.1 The tables in Appendix 1 present the projected year-end position for all services reporting to this board, by both subjective analysis (what the budget is spent on) and objective analysis (which division is spending the budget). Significant variances affecting the projected position are analysed further below.
- 3.2 It should be noted that the projected outturn position reported here is based on the latest information available, which is subject to change during the financial year. The impact of any change on this projection will be updated at each board cycle until the close of reporting period 10. Budget holders are obliged to seek mitigating action to minimise significant budget variances.

4. Objective Analysis – Significant Variances

4.1 Housing Revenue Account (HRA) - break-even by 31 March 2025

The HRA is projected to break-even overall in 2024/25. Demand for repairs to HRA premises, including void properties, is still currently expected to be managed within the revised budget levels.

4.2 Housing – General Services (Non-HRA) – break-even by 31 March 2025

The projected outturn for Homelessness within Housing – General Services (Non-HRA), continues to be a challenge over the remainder of the financial year. Demand on services is currently being managed within existing resources, including additional staffing, being supported through migration and asylum funding streams allocated to the Council by the UK and Scottish Government. The potential increase in homeless presentations linked to the asylum population in Renfrewshire and more widely across the West of Scotland, continues to create additional, potentially long-term, financial pressures for Council services. Projections of these pressures will continue to be reviewed and reported to future Communities and Housing Policy Boards as required.

4.3 Communities and Public Protection - break-even by 31 March 2025

Employee costs are projected to underspend due to vacancies within the service, this area is under review by management. The underspend has been allocated against spend across other budget lines and overall, the service is projected to break-even at year end.

5. Subjective Analysis – Significant Variances

GENERAL SERVICES (excluding HRA)

5.1 Employee costs - £0.334m underspend by 31 March 2025

This is a combination of underspends across services, for example, in Public Protection underspends are due to vacancies, which are currently under review. Underspends in Criminal Justice and Homelessness are offset by minor overspends across their service areas.

Please note that a drawdown of £0.205m from the Moving-On Fund for Ukrainian Refugees, held within General Fund earmarked reserves, is now included in the Revised Annual Budget.

5.2 Transport Related – (£0.050m) overspend by 31 March 2025

Overspends in Public Protection, Criminal Justice and Homelessness are offset by minor underspends across their service areas.

5.3 Supplies and Services - (£0.118m) overspend by 31 March 2025

This includes (£0.070m) for prior year water sampling costs within the Public Protection Service, funded by underspends in employee costs as noted above. Furniture costs within the Homelessness Service are projected to overspend, which is consistent with the overall demand on Homelessness services.

5.4 Transfer Payments – (£0.113m) overspend by 31 March 2025

Underspends in revenue costs within the Private Sector Housing Grant programme has led to a reduction in the projected drawdown from Reserves. Overspends in Public Protection and Criminal Justice are offset by underspends within employee costs, as reported above.

Please note that a drawdown of £0.050m from the Environment and Place programme for Team Up To Clean Up is now included in the Revised Annual Budget.

HOUSING REVENUE ACCOUNT (HRA)

5.5 Premises Related costs – (£0.026m) overspend by 31 March 2025

The level of demand for Repairs and Maintenance of HRA Properties remains high, especially within Void properties. In-year temporary budget transfers from areas of underspend have been realigned to manage this within the overall service. Additional focus will continue on this area to understand ongoing demand levels. All premises related costs, including utilities and estate management, are subject to fluctuations, and will continue to be closely monitored throughout the year.

5.6 Transfer Payments – £0.006m underspend by 31 March 2025

The previously approved Housing Systems Replacement Project is being progressed and an estimated £0.518m is required from the HRA reserves held to deliver this project. The projected costs and reserve drawdown is reflected within the overall budget, which is for noting by the Board. The projected outturn reflects the forecasted spend in 2024/25.

6. Revenue Budget Virements

- 6.1. Under the Council's financial regulations, Directors, and their nominated officers, in consultation with the Director of Finance and Resources, have certain delegated authority to transfer sums between subjective budget headings within a service division to enable budget management throughout the financial year. This is known as 'budget virement'.
- 6.2. Transfers between divisions of the same service / department in excess of £100,000, and transfers between services / departments must be authorised by the respective service Director and the Director of Finance and Resources for submission to the relevant policy board for approval.
- 6.3. No such virements are proposed this period.

7. Capital Budget Projection – break-even position by 31 March 2025

- 7.1 The Non-Housing Capital Investment Programme 2024/25 to 2028/29 was approved by the Council on 29 February 2024. For Communities and Housing Service the revised capital spend for 2024/25 is £32.048m.
- 7.2 The in-year Capital budget is forecast to break-even by 31 March 2025, following a budget adjustment between years that has taken place to reflect revised programming of some capital projects. Details of the adjustment, which amounts to £0.753m, are as follows:

Capital Budget Adjustments		
Project	Amount (£m)	Reason
Improvements to Existing Properties	0.781	Net acceleration from 2025/26 to reflect start time of projects related to External Improvements.
Regeneration	(1.545)	Deceleration to 2025/26 to reflect anticipated cashflows for various projects, including Broomlands and Waverley, and budget transfer to Council House New Build.
Other Assets	0.840	Acceleration from 2025/26 to reflect timing of various projects, including rot work.
Council House New Build	0.017	Budget transfer from Regeneration for Bishopton New Build.
Private Sector Housing Grant	0.660	Budget increase from revenue for disabled adaptations and care and support.
Total	0.753	

Implications of the Report

1. Financial

The projected budget outturn position for the Communities and Housing Revenue budget is break-even at 31 March 2025. Income and expenditure will continue to be monitored closely for the rest of the financial year and as far as possible, steps will be taken to mitigate any overspend.

The projected outturn position for Communities and Housing Services Capital budget is break-even, after the adjustments outlined in section 7.

2. HR & Organisational Development

While staffing budgets form a significant proportion of the Council's revenue budgets, there are no direct implications arising from the recommendations in this report.

3. Community/Council Planning

Community Plan	
Our Renfrewshire is thriving	The Council's revenue and capital spend ensures that its facilities are fit for purpose and safe for the community, to maximise accessibility.
Our Renfrewshire is well	
Our Renfrewshire is fair	
Our Renfrewshire is safe	
Council Plan	
Reshaping our place, our economy and our future	The Council's revenue and capital spend ensures that its facilities are fit for purpose and safe for the community, to maximise accessibility.
Building strong, safe and resilient communities	
Tackling inequality, ensuring opportunities for all	
Creating a sustainable Renfrewshire for all to enjoy	Ongoing revenue and capital budget monitoring is a tool to enable good financial management so that the Council has resources now and in the future for continued service delivery.
Working together to improve outcomes	

4. Legal

There are no direct implications arising from the recommendations in this report.

5. Property/Assets

The capital expenditure noted in this report will result in lifecycle maintenance improvements to existing properties and replacement of ICT assets and infrastructure.

6. Information Technology

ICT assets and revenue costs are included within these reported budgets, and the costs associated with the replacement of the Housing Management system will have both an ongoing revenue and capital budget impact.

7. Equality & Human Rights

While new areas of spend may impact on particular groups, any such impact would be assessed prior to the spend being incurred, therefore there are no direct implications arising from the recommendations in this report.

8. Health & Safety

The capital expenditure noted in this report will result in lifecycle maintenance improvements to existing properties and replacement of ICT assets, which may in some cases rectify health and safety issues.

9. Procurement

While Procurement is an important consideration prior to the Council incurring any revenue or capital spend, there are no direct implications arising from the recommendations in this report.

10. Risk

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

11. Privacy Impact

There are no direct implications arising from the recommendations in this report.

12. Cosla Policy Position

N/a

13. Children's Rights

There are no direct implications arising from the recommendations in this report.

14. Climate Change

The Council aims to reduce its carbon and other emissions to net zero by 2030, however there are no direct implications arising from the recommendations in this report.

List of Background Papers

- Housing Revenue Account Budget & Rent Levels 2024/25 and Housing Capital Investment Plan 2024/25 to 2028/29, Council 29 February 2024.
- Non-housing Capital Investment Programme, prudential Framework and Treasury Management Strategy, and Capital Strategy 2024/25 – 2028/29, Council 29 February 2024.

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RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2024/25
1 April 2024 to 8 November 2024

POLICY BOARD: COMMUNITIES AND HOUSING - All SERVICES

Objective Summary	Annual Budget at Period 6	Budget Adjustments	Revised Annual Budget at Period 8	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
Housing - General Services (Non-HRA)	4,626	278	4,904	4,904	0	0.0%	0	0
Communities and Public Protection (including Regulatory Services)	5,832	50	5,882	5,882	0	0.0%	0	0
Criminal Justice	4,171	(79)	4,092	4,092	0	0.0%	0	0
NET EXPENDITURE	14,629	249	14,878	14,878	0	0.0%	0	0

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2024/25
1 April 2024 to 8 November 2024

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

Subjective Summary	Annual Budget at Period 6	Budget Adjustments	Revised Annual Budget at Period 8	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	11,731	830	12,561	12,227	334	2.7%	209	125
Premises Related	2,431	(33)	2,398	2,419	(21)	(0.9%)	(14)	(7)
Transport Related	187	10	197	247	(50)	(25.2%)	(21)	(29)
Supplies and Services	5,682	411	6,093	6,211	(118)	(1.9%)	(198)	80
Third Party Payments	87	25	112	155	(43)	(38.6%)	13	(56)
Transfer Payments	2,673	126	2,799	2,912	(113)	(4.0%)	60	(172)
Support Services	54	(1)	53	51	2	3.1%	5	(3)
Depreciation and Impairment Losses	(23)	0	(23)	(11)	(12)	(52.2%)	(12)	0
GROSS EXPENDITURE	22,822	1,369	24,191	24,213	(22)	(0.1%)	42	(64)
Income	(8,193)	(1,120)	(9,313)	(9,335)	22	0.2%	(42)	64
NET EXPENDITURE	14,629	249	14,878	14,878	(0)	0.0%	(0)	0

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2024/25
1 April 2024 to 8 November 2024

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

Subjective Summary	Annual Budget at Period 6	Budget Adjustments	Revised Annual Budget at Period 8	Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn Variance	Movement
	£000	£000	£000	£000	£000	%	£000	£000
Employees	11,561	(268)	11,293	11,284	9	0.1%	155	(146)
Premises Related	24,350	760	25,110	25,136	(26)	(0.1%)	32	(58)
Transport Related	53	0	53	63	(10)	(18.9%)	(10)	0
Supplies and Services	908	(140)	768	781	(13)	(1.7%)	43	(56)
Third Party Payments	0	0	0	0	0	0.0%	0	0
Transfer Payments	5,517	(514)	5,003	4,997	6	0.1%	(101)	107
Support Services	3,322	0	3,322	3,310	12	0.4%	8	4
Depreciation and Impairment Losses	17,909	518	18,427	18,427	0	0.0%	0	0
GROSS EXPENDITURE	63,620	356	63,976	63,998	(22)	0.0%	127	(149)
Income	(63,620)	(356)	(63,976)	(63,998)	22	0.0%	(127)	149
NET EXPENDITURE	0	0	0	0	0	0.0%	0	0

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY
 1st April to 8th November 2024
POLICY BOARD: COMMUNITIES & HOUSING

Project Title	Prior Years Expenditure to 31/03/2024 £000	Current Year 2024-25						Full Programme - All years					
		Approved Budget 2024-25 £000	Budget Adjustments since previous Board report £000	Revised Budget 2024-25 £000	Projected Outturn 2024-25 £000	Budget Variance (Adverse) or Favourable		Total Approved Budget to 31-Mar-29 £000	Projected Outturn to 31-Mar-29 £000	Budget Variance (Adverse) or Favourable			
HOUSING(HRA)													
Improvements To Existing Properties	0	15,757	781	16,538	16,538	0	0%	111,757	111,757	0	0%		
Regeneration	10,743	9,227	(1,545)	7,682	7,682	0	0%	7,587	7,587	0	0%		
Other Assets	0	2,425	840	3,265	3,265	0	0%	4,550	4,550	0	0%		
Non Property Expenditure	0	900	0	900	900	0	0%	10,860	10,860	0	0%		
Council House New Build	42,665	610	17	627	627	0	0%	74,690	74,690	0	0%		
Professional Fees	0	1,850	0	1,850	1,850	0	0%	9,700	9,700	0	0%		
Total Housing (HRA) Programme	53,408	30,769	93	30,862	30,862	0	0%	219,144	219,144	0	0%		
HOUSING(PSHG)													
Private Sector Housing Grant Programme	0	526	660	1,186	1,186	0	0%	2,926	2,926	0	0%		
Total Housing (PSHG) Programme	0	526	660	1,186	1,186	0	0%	2,926	2,926	0	0%		
TOTAL COMMUNITIES, HOUSING & PLANNING BOARD	53,408	31,295	753	32,048	32,048	0	0%	222,070	222,070	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.