
To: Communities, Housing and Planning Services Policy Board

On: 18 January 2022

Report by: Acting Director of Finance and Resources

Heading: General Services Revenue, Housing Account and Capital Budget
Monitoring as at 12 November 2021

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 £0.192m (1.5%) against the revised budget for the year. This can be further analysed as a projected overspend in general services activities of £0.192m 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 £23.186m 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.

Table 1: Revenue						
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	£30	(£30)	£0	£0	0%
Communities & Housing Directorate	£14	£14	£0	£14	£0	0%
Housing - General Services (Not HRA)	£4,943	£4,940	£0	£4,940	£3	0.1%
Communities and Public Protection (excluding Regulatory Services)	£3,749	£3,604	£204	£3,808	(£59)	(1.6%)
Economy & Development	£191	£327	£0	£327	(£136)	(71.2%)
Criminal Justice	£3,598	£3,598	£0	£3,598	£0	0%

Table 2: Capital						
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)	£21,876	£21,876	£0	£21,876	£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 £0.192 million (1.5% 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 £0.192 million, includes an estimated under-recovery in planning fees of £0.130 million. This represents 9% 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 (£0.197m) have been processed since the previous finance report to board. This reflects a transfer of functions between services as a consequence of the Placeshaping service design under the Right for Renfrewshire Programme. The Placemaking team has now transferred into the Economic & Regeneration Division and will be included in the Chief Executive's Service report to the Leadership Board.

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 £23.186m.
- 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 (£0.150m). This is within the PSHG to reflect expected timing of grant payments.
- 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 (£0.150m) have arisen which reflect the following:

Budget Carried Forward to 2022-23 from 2021-22 (£0.150m):

- **PSHG**

- To reflect the expected timing of grant payments in relation to disabled adaptations.

Implications of this report

1. **Financial** – The projected budget outturn position for Communities, Housing and Planning Services Revenue budget is an overspend of £0.192m (1.5% 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.
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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 12 November 2021

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

Objective Summary	Revised Annual Budget at P6	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	30	(30)	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	0	4,943	4,940	0	4,940	3	0.1%	0	3
Communities and Public Protection (excluding Regulatory Services)	3,749	0	3,749	3,604	204	3,808	(59)	(1.6%)	(60)	1
Economy & Development	388	(197)	191	327	0	327	(136)	(71.2%)	0	(136)
Criminal Justice	3,598	0	3,598	3,598	0	3,598	0	0.0%	0	(0)
NET EXPENDITURE	12,692	(197)	12,495	12,513	174	12,687	(192)	(1.5%)	(59)	(132)

Objective Heading	Key Reasons for Projected Variance
Housing Revenue Account (HRA)	Overall the HRA is projecting a break even position at the year end. Underspends in employee costs, transport costs, supplies and loan debt payments are being utilised in the current year to fund additional housing property repairs/maintenance/void property works. The overspend in property repairs reflects the current demands on the service from tenants and the requirement to repair void properties for re-let. In addition there is a projected overspend on void rent loss this year which will be offset by an underspend in the budget for irrecoverable rents/bad debt.
Development & Housing Directorate	No projected year end variances to report.
Housing - General Services (Not HRA)	No significant projected year end variances to report.
Communities and Public Protection (excluding Regulatory Services)	Overall Communities & Public Protection is projecting a year end overspend of £59K. It should be noted that within this overspend there are Covid related costs totalling £204K, representing an under-recovery of income of £150K in rental of halls for community learning and employee costs within Public Protection which are directly related to Covid activities of £54K. Therefore Covid costs are being partially offset by underspends due to vacancies within the service.
Economy & Development Services	The adverse variance reflects a projected under-recovery of Planning Fee income, 9% 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 12 November 2021

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

Subjective Summary	Revised Annual Budget at P6	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	10,472	(196)	10,276	10,218	54	10,272	4	0.0%	70	(66)
Premises Related	1,665	0	1,665	1,682	0	1,682	(17)	(1.0%)	(7)	(11)
Transport Related	188	0	188	188	0	188	(0)	(0.1%)	(9)	9
Supplies and Services	2,588	(1)	2,587	2,622	0	2,622	(35)	(1.4%)	(59)	24
Third Party Payments	85	0	85	101	0	101	(16)	(19.1%)	(16)	0
Transfer Payments	1,947	0	1,947	1,905	0	1,905	42	2.2%	13	29
Support Services	1,428	0	1,428	1,431	0	1,431	(3)	(0.2%)	(4)	1
Depreciation and Impairment Losses	(23)	0	(23)	(23)	0	(23)	0	0.0%	0	0
GROSS EXPENDITURE	18,350	(197)	18,153	18,126	54	18,180	(27)	(0.1%)	(10)	(15)
Income	(5,658)	0	(5,658)	(5,642)	150	(5,492)	(166)	(2.9%)	(49)	(117)
NET EXPENDITURE	12,692	(197)	12,495	12,483	204	12,687	(192)	(1.5%)	(59)	(132)

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2021/22
1 April 2021 to 12 November 2021

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

Subjective Summary	Revised Annual Budget at P6	Budget Adjustments	Revised Annual Budget	Projected Outturn Core Business	Projected Outturn COVID-19	Total Projected Outturn	Budget Variance (Adverse) or Favourable		Previous Projected Outturn	Movement
	£000	£000	£000	£000	£000	£000	£000	%	£000	£000
Employees	9,212	0	9,212	8,626		8,626	586	6.4%	549	37
Premises Related	15,231	0	15,231	16,855		16,855	(1,624)	(10.7%)	(424)	(1,200)
Transport Related	103	0	103	73		73	30	29.1%	(3)	33
Supplies and Services	807	0	807	760	(65)	695	112	13.9%	46	66
Third Party Payments	26	0	26	26		26	0	0.0%	0	0
Transfer Payments	3,949	0	3,949	3,966		3,966	(17)	(0.4%)	(2)	(15)
Support Services	2,490	0	2,490	2,490		2,490	0	0.0%	(3)	3
Depreciation and Impairment Losses	21,885	0	21,885	20,708		20,708	1,177	5.4%	(160)	1,337
GROSS EXPENDITURE	53,703	0	53,703	53,505	(65)	53,440	263	0.5%	3	260
Income	(53,703)	0	(53,703)	(53,475)	35	(53,440)	(263)	(0.5%)	(3)	(260)
NET EXPENDITURE	0	0	0	30	(30)	0	0	0.0%	0	0

RENFREWSHIRE COUNCIL
CAPITAL INVESTMENT STRATEGY - NON-HOUSING SERVICES
1st April to 12th November 2021
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	(3,390)	5,697	5,697	0	0%	45,859	45,859	0	0%
Regeneration	4,465	625	0	625	625	0	0%	7,595	7,595	0	0%
Other Assets	0	3,390	0	3,390	3,390	0	0%	8,595	8,595	0	0%
Non Property Expenditure	0	100	0	100	100	0	0%	300	300	0	0%
Council House New Build	23,663	11,300	(336)	10,964	10,964	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	(3,726)	21,876	21,876	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	(4,036)	23,186	23,186	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.