

REPORT TO: COMMUNITIES COMMITTEE ON 30 AUGUST 2011

SUBJECT: HOUSING AND PROPERTY BUDGET MONITORING – 30 JUNE 2011

BY: HEAD OF HOUSING AND PROPERTY

1. REASON FOR REPORT

- 1.1 This report presents budget monitoring for the Housing Revenue Account (HRA) and General Services Other Housing Budget for the period to 30 June 2011.
- 1.2 This report is submitted to Committee in terms of the Council's Administrative Scheme relating to the management of housing budgets.

2. RECOMMENDATION

- 2.1 **It is recommended that the Communities Committee considers the budget monitoring report for the period to 30 June 2011.**

3. BACKGROUND

- 3.1 The Council agreed the HRA Budget for 2011/12 at its meeting on 10 February 2011 (paragraph 6 of the Minute refers). Housing budget monitoring reports are presented to each cycle of meetings.

4. HOUSING REVENUE ACCOUNT TO 30 JUNE 2011

- 4.1 **APPENDIX I** details the HRA Budget position to 30 June 2011.
- 4.2 The expenditure variances to note as at 30 June 2011 relate to:-

Supervision and management – there are various underspends totalling £71k to date on a range of budgets within this heading, including vacancies, IT development, insurance and training. These are offset by an overspend on voids.

Sheltered Housing – the small underspend of £6k mainly relates to electricity and gas charges. This reflects the timing of receipt of fuel bills.

Hostels – An underspend of £11k relates to staffing costs and other overheads. As with sheltered housing, underspends on fuel costs, council tax and water rates reflect the timing of receipt of bills.

Repairs and maintenance – this report indicates an underspend to date. A separate report on the Committee's agenda provides further details of commitments and expenditure to date. This area of the budget is likely to come under pressure later in the financial year.

Bad and doubtful debts – the actual level of debts written off to 30 June 2011 is below the level of provision made in the budget, resulting in an underspend to 30 June 2011 of £10k.

Service Developments – no expenditure has been incurred to 30 June 2011 on the tenant survey to be carried out in 2011/12. Progress on this will be reviewed during 2011/12.

4.3 The main income variances to note as at 30 June 2011 relate to:-

House rents – income to 30 June 2011 is slightly above target. This will be monitored as the year progresses.

Hostel Grant – a payment of £36k for hostel support grant for March 2011 is still awaited from the Scottish Government.

Other income – the reduction in other income reflects a reduced level of rechargeable repairs to date.

5. **OTHER HOUSING BUDGET**

5.1 **APPENDIX II** details the budget position to 30 June 2011 for the Other Housing Budget.

5.2 **Planning and Development** consists of Improvement Grants and Affordable Housing budgets. The budget shows an underspend to 30 June 2011 of £93k relating to the timing of improvement grant spend.

5.3 **Housing Management** relates to the Gypsy/Traveller Budget. A minor underspend of £1k exists as at 30 June 2011.

5.4 **Homelessness/Allocations** comprises homelessness, NASSO (National Accommodation Strategy for Sex Offenders), Landlord Registration, housing support services and private sector leasing budgets. A net underspend of £109k was incurred on this budget as a result of a range of variances. The most significant of these relates to the continuing reduction in the use of bed and breakfast accommodation for homeless households.

5.5 **Miscellaneous General Services** includes house loans and the Grampian Housing Association Maintenance Bond for open space maintenance.

5.6 The **Building Services budget** is reported in detail separately on the Committee's agenda.

- 5.7 The **Property Services budget** relates to budgetary provision for the Design and Property Resources sections of the Housing and Property Service. This shows an underspend of £267k to 30 June 2011 which is primarily due to an underspend in central repairs and maintenance for corporate council buildings, together with a range of more minor variances across a number of budgets.

6. **SUMMARY OF IMPLICATIONS**

(a) Single Outcome Agreement/ Service Improvement Plan

The Single Outcome Agreement and Service Improvement Plan identify that the quality of housing and housing service provision are Council priorities.

(b) Policy and Legal

There are no policy or legal implications arising from this report.

(c) Financial Implications

The financial implications are considered in sections 4 and 5 of this report and detailed in **APPENDIX I** and **II**. Budget managers are aware of their responsibilities for managing budget allocations and approval for variance will be sought from Committee in line with the Financial Regulations.

(d) Risk Implications

There are no risks arising from the detail in this report.

(e) Staffing Implications

None.

(f) Property

None

(g) Equalities

There are no equalities issues arising from this report.

(h) Consultations

This report has been prepared in consultation with Finance staff. Consultation on this report has been carried out with senior managers within the Housing and Property Service and the Principal Accountant (Deborah O'Shea).

7. **CONCLUSION**

- 7.1 This report sets out the budget monitoring position for the Housing Revenue Account and General Services Housing and Property budgets to 30 June 2011. It comments on the variances on budgets as at 30 June 2011.

Author of Report:
Background Papers:
Ref:

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Held by CHO
CC/JS/TS – Housing Budgets – 30 August 2011