

# Appendix A

## Quarter 3 / Month 9 (December 2023) Financial Report – Housing Committee

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# Revenue Commentary – Housing General Fund

2022/23 Outturn £k	Forecast Qtr 3 £k	Annual Budget £k	Outturn Variance £k	Change from Qtr2 £k	One-off events £k	Ongoing Pressures £k
601 Salaries	865	865	0	0		
(141) Meadowside Mobile Homes	(109)	(124)	15	0		15
50 Westway	0	0	0	0		
75 Private Sector Enabling	93	82	11	2		11
(84) Housing of the Homeless	(179)	(179)	0	0		
51 Other Housing Renewal Functions	12	12	0	0		
0 Syrian & Afghan Refugees	25	25	0	0		
(45) Ukraine Placements	0	0	0	0		
4 Redstone House	0	0	0	0		
(69) Housing Benefits	31	31	0	0		
21 Other variances less than £10k	1	1	0	0		
<b>462 Housing General Fund</b>	<b>739</b>	<b>713</b>	<b>26</b>	<b>2</b>	<b>0</b>	<b>26</b>

## Housing General Fund overspend £26k – Change £2k from M6, mainly due to :-

- **£15k Meadowside Mobile Homes** – No change from M6, reassessment for increased costs for planned repairs and tree works.
- **£11k Private Sector Enabling – change £2k from M9**, due to £10k additional work through the Home Improvement Agency contract (offset by reductions in the costs in Community Services) and £3k additional costs of employees provided by Mole Valley Partnership, offset by (£2k) release of unspent budgets on various small budgets.

Alongside the known variance on Meadowside, risks are being managed within the budget, particularly in respect of Homelessness which is very sensitive to changes in temporary accommodation costs. Spend to-date is in line with expectations, but a small increase in numbers can have a significant impact on the budget. Temporary Accommodation costs can also have a knock-on impact on Housing Benefit (although a reserve exists to mitigate the impact on the latter).

# Savings Tracker – Housing General Fund

Committee	Target	Complete	Green	Amber	Red	Black
Housing GF	210	60	0	150	0	0
<b>Total</b>	<b>210</b>	<b>60</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>0</b>

**Target**

- Achieved
- Plans in place
- Some risks to delivery
- Significant risk
- Not achieved

- The Housing general Fund Committee budget includes a savings target of £210k.
- Of this:
  - £60k is currently deemed to be achieved
  - £0k is deemed to be achievable
  - £150k is deemed to have some risk until the saving is actually delivered

Detail of the savings plan for this committee is set out below:

Savings Title	Total Target saving (2023/24)	Complete	Green	Amber	Red	Black
Homelessness and DFG	150			150		
DFG - Salary Capitalisation	60	60				
<b>Total</b>	<b>210</b>	<b>60</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>0</b>

# Revenue Risks – Housing General Fund

Committee	Outline of Risk	Mitigation	Range Max - Min £k
Housing	Demand for Social accommodation is on the rise with lack of availability of LA's being able to house families and individuals. The use of Bed and Breakfast accommodation is on the rise not only in Tandridge but throughout the UK.	Keeping a watching brief on the costs Tandridge are incurring. The government have released additional grant of £154k in 2023/24 to help with the additional costs and also Tandridge hold funds within the Homelessness reserve which we expected will cover any additional costs.	

# Revenue Budget –Housing Revenue

	Forecast Qtr 3 £k	Annual Budget £k	Outturn Variance £k	Change from Qtr2 £k	One-off events £k	Ongoing Pressures £k
Salaries	2,027	2,149	(122)	(152)	(125)	3
Services Costs	1,470	1,865	(395)	(477)		(395)
Corporate Support Service	1,572	1,572	0	(2)		
Repairs and Maintenance	3,568	3,636	(68)	(68)	(68)	
Interest Changes on Loan	2,045	2,045	0	0		
Rental Income Dwellings	(15,973)	(15,973)	0	0		
Rental Income Garages	(385)	(385)	0	0		
Other Income	(179)	(136)	(43)	(26)		(43)
<b>Total Revenue Movement before Tfr to Reserves</b>	<b>(5,855)</b>	<b>(5,227)</b>	<b>(628)</b>	<b>(725)</b>	<b>(193)</b>	<b>(435)</b>
<b>Transfer to Reserves</b>	<b>5,855</b>	<b>5,227</b>	<b>628</b>	<b>725</b>	<b>193</b>	<b>435</b>
HRA	0	0	0	0	0	0

## Housing Revenue Account - £628k net overspend – Change £725k from Q2, mainly due to :-

- **(£122k) Salary Costs** – Change (£152k) from Q2, due to unfilled posts in the Building Surveyors team.
- **(£395k) Service Costs** – Change (£477k) from Q2, due to releasing (£350k) electricity & gas, (£50k) Assisted Purchase, (£27k) consultancy fees and (£80k) trees budgets no longer required offset by £30k increase costs of voids for Council Tax and £28k new fraud contract with R&B. Projected £60k increased costs on Orchard MRI Housing Management Software linked to upgrading to a new hosted version.
- **(£68k) Repairs and Maintenance** – Change (£68k) from Q2: due to releasing (£42k) external decorations, (£4k) internal decorations, (£22k) costs for fuel, servicing of vehicles, (£10k) tenant redecoration allowances budgets no longer required, offset by £10k additional costs for skip hire.
- **Corporate Support Services** – Change £2k from Q2, due to the HRA 30-year plan advisor contract increasing support to the Housing Development team.
- **(£43k) Other Income** - Change (£26k) from Q2, due to increase in income from private house lease extensions.

# Savings Tracker – Housing Revenue Account

Committee	Target	Complete	Green	Amber	Red	Black
Housing - HRA	150	-	-	150	-	-
<b>Total</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>0</b>

Target
Achieved
Plans in place
Some risks to delivery
Significant risk
Not achieved

- The Housing Revenue Account budget includes a savings target of £150k.
- Of this:
  - £150k is deemed to have some risk until the saving is actually delivered

• Detail of the savings plan for this committee is set out below:

Savings Title	Total Target saving (2023/24)	Complete	Green	Amber	Red	Black
Housing Manage Salary apportionment	150			150		
<b>Total</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>150</b>	<b>0</b>	<b>0</b>

# Capital Budget – Housing General Fund

Service	Annual Budget 2023-24 £k	Forecast M9 2023/24 £k	Variance M9 2023/24 £k	Nature of Variance		Change from M6 £
				Variance Overspend/ (Underspend) £k	Variance Acceleration/ (Slippage) £k	
<b>Housing General Fund</b>						
Social Housing Grants	0	68	68	68	0	68
Disabled Facilities Grants	503	420	(83)	0	(83)	0
<b>Total Housing General Fund</b>	<b>503</b>	<b>488</b>	<b>(15)</b>	<b>68</b>	<b>(83)</b>	<b>68</b>

- The Capital Budget was approved by Full Council on 9<sup>th</sup> February 2023 at £503k.
- The request for Capital carry forwards of £139k from 2022/23 was approved in the S&R Committee on 29<sup>th</sup> June 2023, with a revised phasing to be reported during the September 2023 committee cycle.
- At Q1, approved in the S&R Committee in September 23, the total capital requirement for 2023/24 was re-set at £503k with £139k carried forward into 2024/25.
- At Q3, the total Capital Forecast for HGF is £488k. The variance is (£15k) is due to below-
  - Social Housing Grants overspend of £68k. A grant was awarded in 2021/22 to the partnership Transform Housing and Support under the Government's Rough Sleeper Programme. The nominations and the grant agreement have been delayed in getting completed and until this was done the grant could not be settled.
  - DFG slippage of (£83k), mainly due to surplus capital grant, reprofiled into 2024/25.
- Spend across the Committee's schemes is c.£151k (31%) at M9. Activity has greatly increased in the last quarter of the year many projects in the pipeline to start this financial year the capital programme is on track to achieve the forecasted spend.



# Capital Budget – Housing Revenue Account

Service	Annual Budget 2023-24 £k	Forecast M9 2023/24 £k	Variance M9 2023/24 £k	Nature of Variance		Change from M6 £
				Variance Overspend/ (Underspend) £k	Variance Acceleration/ (Slippage) £k	

Housing Revenue Account						
Council House Building	11,244	12,325	1,081	0	1,081	995
Improvements to Housing Stock	4,648	4,456	(192)	0	(192)	(5)
HRA IT - Hardware/Infrastructure	241	199	(42)	0	(42)	(42)
Vehicle Fleet Renewals - HRA	0	0	0	0	0	0
<b>Total Housing Revenue Account</b>	<b>16,133</b>	<b>16,980</b>	<b>847</b>	<b>0</b>	<b>847</b>	<b>949</b>

- The Capital Budget was approved by Full Council on 9<sup>th</sup> February 2023 at £15,398k.
- The request for Capital carry forwards of £4,597k from 2022/23 was approved in the S&R Committee on 29<sup>th</sup> June 2023, with a revised phasing reported during the September 2023 committee cycle.
- At Q1, approved in the S&R Committee in September 23, the total capital requirement for 2023/24 was re-set at £16,133k with £3,862k carried forwards to 2024/25.
- At Q3, the total Capital Forecast for HRA is £16,980k, with Acceleration Variance of £847k, mainly due from
  - Council House Building – variance £1,081k. (£1,499k) Slippage at Bronzeoaks, Auckland Road & Windmill Close and Buy-Backs. £2,581 Acceleration for acquisitions of new development sites.
  - Adaptations for the Disabled – slippage (£192k).
  - HRA IT – Hardware / Infrastructure – slippage (£42k)
- Spend across the Committee’s schemes is c.£8,576k (51%) at M9 although will accelerate as stalled schemes at Uplands and Bronzeoak are re-started and the LAHF purchases are completed.