

Appendix A

Quarter 2 / Month 6 (September 22) Financial Report – Housing Committee

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Revenue Budget –Housing General Fund

2021/22 Outturn £k	Forecast at M06 £k	Annual Budget £k	Outturn Variance from M03 £k	Change from M03 £k	One-off events £k	Ongoing Pressures £k
509 Salaries	526	527	(1)	(1)		(1)
(131) Meadowside Mobile Homes	(124)	(134)	10	10		10
69 Westway	50	50	0	0		
34 Private Sector Enabling	69	82	(13)	(13)		(13)
(186) Housing of the Homeless	(181)	(61)	(120)	(40)		(120)
55 Other Housing Renewal Functions	55	55	0	0		0
15 Syrian & Afghan Refugees	25	25	0	0		
Ukraine Placements	0	0	0	0		
(22) Redstone House	0	0	0	0		
113 Housing Benefits	11	(69)	80	0		80
1 Other variances less than £10k	1	1	0	0		
458 Housing General Fund	432	476	(44)	(44)	0	(44)

Housing General Fund, underspend £44k (Change:- improvement of £44k) mainly due to:

- **Salaries: £1k savings**, vacancy drag achieving more than budget (Change from Q1:£1k decrease).
- **Meadowside Mobile Homes: £10k** income reduced as Budget not now expected to be achieved on commission on sales of mobile homes (Change from Q1:£10k increase).
- **Housing Benefit: £80k overspend**, the budget currently assumes that expenditure is matched by the Government, however this is not the case therefore **£80k** provide for the unbudgeted additional costs. (No change from Q1).
- **Housing of the Homeless : £120k surplus**, In prior years (inc. 2021/22) the shortfall in Government support has been offset by applying Homelessness grant to legitimate costs elsewhere in the committee. The 2023/24 budget will be updated to reflect a realistic position. (Change from Q1:£40k improvement).
- **Private Sector Enabling: £13k improvement**, historical cost budget to be reduced. (Change from Q1:£13k decrease).

Savings Tracker –Housing General Fund

Committee	Target	Blue Achieved	Green	Amber	Red	Black - BAU Full Year Forecast
		£k	£k	£k	£k	£k
Housing GF	80	35	35	0	10	0

- The Housing general Fund Committee budget includes a savings target of £80k.
- Of this:
 - £35k is currently deemed to be achieved
 - £35k is deemed to be achievable
 - £10k is deemed to be at risk
- Detail of the savings plan for this committee is set out below:

MTFP Savings Title	Savings Achieved £	Green Forecast in Remainder of the Year £	Amber Forecast in Remainder of the Year £	Red Forecast in Remainder of the Year £	Total Savings Forecast in 2021/22 £
Increase Meadowside Mobile Home Sales	0	0		10,000	10,000
Reduce funding for Westway Centre (Douglas/Broughton) per lease agreement	12,500	37,500			50,000
Introduce a Vacancy Factor in staff budgets	5,000	15,000			20,000
	17,500	52,500	0	10,000	80,000

Revenue Risks – Housing General Fund

Committee	Outline of Risk	Mitigation	Range Max - Min £k	Likely Financial Risk £k
Housing	Rising inflation may induce greater unemployment and straining housing demands	Reviewing reasons for strain on the housing demands and allocating relevant New Burden grants	£0k-£120k	£100k
Housing	Higher unemployment directly linked to high risk of rent defaults	Reviewing reasons for strain on the housing demands and allocating relevant New Burden grants	£0-£100K	£60k

Revenue Budget –Housing Revenue

2021/22 Outturn £k	Forecast at M06 £k	Annual Budget £k	Outturn Variance £k	Change from M03 £k	One-off events £k	Ongoing Pressures £k
2,302 Salaries	2,518	2,540	(22)	(22)	(22)	
1,027 Services Costs	1,470	1,478	(8)	(8)	(1)	(7)
1,542 Corporate Support Service	1,314	1,314	0	0		
2,457 Repairs and Maintenance	3,143	3,173	(30)	(30)	(28)	(2)
1,616 Interest Changes on Loan	1,640	1,640	0	0		
(14,528) Rental Income Dwellings	(14,919)	(14,919)	0	0		
(263) Rental Income Garages	(400)	(400)	0	0		
(359) Other Income	(1,895)	(1,888)	(7)	(7)		(7)
(6,205) Total Revenue Movement before Tfr to Reserves	(7,130)	(7,063)	(67)	(67)	(51)	(16)
6,205 Transfer to Reserves	7,063	7,063	0	0		
0 HRA	(67)	0	(67)	(67)	(51)	(16)

Housing Revenue Account, (underspend £67k in year and from Q1) due to :-

- **Salaries costs (£22k) savings:** Savings relate to vacancy being carried in the Surveyor's team. Currently started the process to recruit the vacancies.
- **Service Costs (£8k) all expenses savings:** Savings relates to (£27k) historical budget for Consultancy costs no longer require, offset by increased expense costs £10k Tennant removal, £6k Alarm system cost(both of these are on-going savings) and other smaller additional costs
- **Repairs & Maintenance (£30k) all expenses savings:** One-off savings of (£30k) R&R team vehicle repairs and fuel due to new fleet still being under warranty and improved fuel efficiency.
- **Other Income (£7k):** On-going increased income on lease transfer and charges.

Capital Programme Update

- The Capital Budget was approved by Full Council on 2nd February 2022 at £460k for the General Fund and £11.6m for HRA. Total is £12.0m
- This was supplemented by £4.4m of carry forwards from 2021/22 as part of the outturn report to S&R on 30th June 2022.
- The total budget for 2022/23 is therefore £16.4m.
- The budgets have been reviewed for deliverability at Q2 and at present there is deemed to be a net underspend of **£381k** being:-
 - **HGF £60k** -
 - £60k – DFG reduce as costs will not be incurred in 2022/23.
 - **HRA £321k** -
 - £2,848k – additional pressures having being added for potential development sites and inflationary rises.
 - £3,169k – delays on Rochester Gardens and Auckland Road & Windmill Close and slippages on Whyteleafe and Uplands.

Scheme Name	Original Budget 2022/23 £k	Carry Forwards from 2021/22 £k	Budget Including Carry Forwards 2022/23 £k	FY Forecast at M6 £k	Forecast Variance at M6 2022/23 £k
Housing GF					
Disabled Facilities Grants Mandatory	460	0	460	400	(60)
Total Housing GF	460	0	460	400	(60)
Housing Revenue Account					
Council House Building	7,586	3,930	11,516	11,196	(321)
IT - Hardware/Infrastructure HRA	61	195	256	256	0
Rewiring HRA Capital Schemes	188	0	188	185	(3)
Conversion of Shared Facilities	30	0	30	130	100
Works to Void Properties	425	80	505	505	0
Fire Precautions	125	35	160	180	20
Bathroom Renewals	380	0	380	300	(80)
Kitchen Renewals	322	0	322	300	(22)
Roof Renewals	520	0	520	520	0
Window Replacement	500	0	500	494	(6)
Thermal Insulation	30	0	30	30	0
Structural Damage	200	15	215	215	0
DDA Upgrades	15	0	15	30	15
Removal of Hazardous Materials	50	0	50	50	0
New Central Heating	30	0	30	50	20
Service Renewal Boilers	345	0	345	425	80
Re-Plumbing	180	0	180	90	(90)
Garages & Outhouses	125	0	125	100	(25)
Roads, Footpaths & Car Parking Areas HRA	60	0	60	60	0
Boundary Walls & Fences	60	0	60	40	(20)
Drainage Works	75	0	75	50	(25)
Adaptations for the Disabled	250	115	365	400	35
Door Entry Systems	30	0	30	30	0
Total HRA	11,586	4,370	15,956	15,636	(321)
Total Housing Committee	12,046	4,370	16,416	16,036	(381)