

Appendix A

Quarter 3 / Month 9 (December 22) Financial Report – Housing Committee

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24 February 2023

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Revenue Budget –Housing General Fund

2021/22 Outturn £k	Forecast at Q3 £k	Annual Budget £k	Outturn Variance £k	Change from Q2 £k	One-off events £k	Ongoing Pressures £k
509 Salaries	534	527	7	8		7
(131) Meadowside Mobile Homes	(98)	(134)	36	26	16	20
69 Westway	50	50	0	0		
34 Private Sector Enabling	63	82	(19)	(6)		(19)
(186) Housing of the Homeless	(181)	(61)	(120)	0		(120)
55 Other Housing Renewal Functions	55	55	0	0		0
15 Syrian & Afghan Refugees Ukraine Placements	25	25	0	0		
(22) Redstone House	4	0	4	4	4	
113 Housing Benefits	11	(69)	80	0		80
1 Other variances less than £10k	21	1	20	20	20	
458 Housing General Fund	484	476	8	52	40	(32)

Housing General Fund overspend £8k (Changes - £52k deterioration from Q2 mainly due to :-

- **£7k Salaries** : £7k vacancy factor not yet being achieved (*change from Q2: deterioration £8k*)
- **£36k Meadowside Mobile Homes** - £10k income reduced as budget not now expected to be achieved on commission on sales of mobile homes. *Q3 further deterioration of £26k: £17k unbudgeted cost of full site survey and £9k reduced income.*
- **(£19k) Private Sector Enabling** - (£13k) historical budget to be reduced. *Q3 further improvements of £6k: £3k unbudgeted of self build fees and £5k released on part of unspent Consultancy fees budget less various other small variances.*
- **£80k Housing Benefit** : Currently assumes that expenditure is matched by the Government, however this is not the case therefore £80k provide for the unbudgeted additional costs.
- **£4k Redstone House**: *New in Q3 £4k security and electricity costs incurred whilst property was empty*
- **£120k Homelessness**: In prior years (incl 2021/22) the shortfall in Government support has been offset by applying Homelessness grant to legitimate costs elsewhere in the committee. (£120k) has been recognised of additional grant and also less costs being incurred.
- **£20k Other**: *New in Q3 £20k share of legal costs.*

Savings Tracker –Housing General Fund

Committee	Target	Blue Achieved	Green	Amber	Red	Black - BAU Full Year Forecast
	£k	£k	£k	£k	£k	£k
Housing GF	80	53	18	0	10	0

- The Housing general Fund Committee budget includes a savings target of £80k.
- Of this:
 - £53k is currently deemed to be achieved
 - £18k 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 2022/23 £
Increase Meadowside Mobile Home Sales	0	0		10,000	10,000
Reduce funding for Westway Centre (Douglas/Broughton) per lease agreement	37,500	12,500			50,000
Introduce a Vacancy Factor in staff budgets	15,000	5,000			20,000
	52,500	17,500	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	£60k
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	£40k

Revenue Budget –Housing Revenue

2021/22 Outturn £k	Forecast at Q3 £k	Annual Budget £k	Outturn Variance £k	Change from Q2 £k	One-off events £k	Ongoing Pressures £k
2,302 Salaries	2,457	2,540	(83)	(61)	(89)	6
1,027 Services Costs	1,531	1,478	53	61	60	(7)
1,542 Corporate Support Service	1,314	1,314	0	0		
2,457 Repairs and Maintenance	3,145	3,173	(28)	2	(28)	
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)	0		(7)
(6,205) Total Revenue Movement before Tfr to Reserves	(7,128)	(7,063)	(65)	2	(57)	(8)
6,205 Transfer to Reserves	7,063	7,063	0	0		
0 HRA	(65)	0	(65)	2	(57)	(8)

Housing Revenue Account underspend (£65k) (Change - £2k deterioration from Q2) mainly due to :-

- **(£83k) Salaries Costs savings** - Savings relate to vacancies being carried in numerous teams in particular the HRA Admin, Sheltered Scheme Co-ordinators, and Reactive Repairs. **(Change from Q2: improvement £61k).**
- **£53k Service Costs increased expenses:** Savings relates to (£27k) historical budget for Consultancy costs no longer required, offset by increased expense costs £10k Tennant removal, £6k Alarm system cost (both of these are on-going savings) and other smaller additional costs. **(Change from Q2: deterioration £61k).**
- **(£28k) Repairs & Maintenance 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. **(Change from Q2: deterioration £2k).**
- **(£7k) Other Income (£7k) all increased income on lease transfer and charges.** This is a on-going saving. **(No change from Q2).**

Capital Budget – Housing General Fund

Scheme Name	Original Budget 2022/23	Carry Forward from 2021/22	Budget including Carry Forwards 2022/23	FY Forecast at Q3	Forecast Variance at Q3
	£	£	£	£	£
Disabled Facilities Grants Mandatory	460	0	460	400	(60)
Total Capital Programme	460	0	460	400	(60)

- The Capital Budget for Housing General Fund consists of the Disabled Facilities Grants Mandatory. When the budget was set, this consisted of £460k.
- The forecast against this has been reviewed at Q3 with the Budget Holder and current expectation is for spend of £400k, £60k less than budget.

The variance relates to projects being delayed in starting.

Capital Programme- Housing Revenue Account

Scheme Name	Original Budget	Carry Forwards	Budget Including Carry Forwards	FY Forecast at Q3	Forecast Variance at Q3
	2022/23	2021/22	2022/23	Forecast at Q3	2022/23
	£k	£k	£	£k	£k
Housing Revenue Account					
Council House Building	7,586	3,930	11,516	8,868	(2,648)
Vehicle Fleet Renewals - HRA	0	0	0	235	235
IT - Hardware/Infrastructure HRA	61	195	256	100	(156)
Rewiring HRA Capital Schemes	188	0	188	271	84
Conversion of Shared Facilities	30	0	30	45	15
Works to Void Properties	425	80	505	475	(30)
Fire Precautions	125	35	160	220	60
Bathroom Renewals	380	0	380	80	(300)
Kitchen Renewals	322	0	322	120	(202)
Roof Renewals	520	0	520	540	20
Window Replacement	500	0	500	394	(106)
Thermal Insulation	30	0	30	36	6
Structural Damage	200	15	215	250	35
DDA Upgrades	15	0	15	1	(14)
Removal of Hazardous Materials	50	0	50	25	(25)
Infrastructure Services	0	0	0	0	0
New Central Heating	30	0	30	50	20
Service Renewal Boilers	345	0	345	584	239
Re-Plumbing	180	0	180	25	(155)
Garages & Outhouses	125	0	125	100	(25)
Roads, Footpaths & Car	60	0	60	60	0
Parking Areas HRA	60	0	60	40	(20)
Boundary Walls & Fences	75	0	75	35	(40)
Adaptations for the Disabled	250	115	365	250	(115)
Housing Management Software	0	0	0	15	15
Social Housing Grants	0	0	0	0	0
Door Entry Systems	30	0	30	15	(15)
Total HRA	11,586	4,370	15,956	12,834	(3,122)

- The Capital Budget was approved by Full Council on 2nd February 2022 at £11.6m.
- This was supplemented by £4.370m 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 £16.0m
- The current YTD spend is £6.668m (48%) of forecasted outturn. The remaining year spend is £6.166m being Housing Development £4.509m and Housing Stock £1.657m.
- The budget has been reviewed for deliverability at M9 and at present there is deemed to be a net underspend of £3.112m as noted below:-
 - £2.543m -additional amounts having being added for potential development sites and inflationary rises.
 - £5.665m - delays are on Rochester Gardens , Auckland Road & Windmill Road, Hollow Lane and Wolfs Wood & Featherstone. Slippages on Uplands.