

Agenda Item	10
Report No	FHR/07/14

## Housing and Property Service Revenue Budgets: Monitoring to 30 November 2013

### Report by Interim Director of Housing and Property

#### Summary

This report sets out the current position to 30 November 2013 with regard to the:

- Housing Revenue Account
- Other Housing and Property Revenue Account
- Property Revenue Maintenance Account and
- Building Maintenance Account.

#### 1. Housing Revenue Account – Financial Monitoring to 30 November 2013

1.1 **Appendix 1** shows the position to 30 November 2013. An underspend is projected on management costs, largely due to short term staff vacancies. An overspend is projected on repairs and maintenance. This is being kept under review and action will be considered to bring spend back into line with budget. Void rent loss is shown as a debit in the income section of the monitoring report. Rent loss on empty houses remains higher than budgeted. Reducing void rent loss is a key priority for service managers.

#### 2. Other Housing and Property Revenue – Financial Monitoring to 30 November 2013

2.1 **Appendix 2** shows the position to 30 November 2013. An underspend is projected on homelessness accommodation costs, with a corresponding reduction in projected income. This is an expected trend due to the implementation of the new approach to the Council's provision of temporary accommodation for homeless households.

#### 3. Property Revenue Maintenance Programme (Public Buildings, Schools etc.) Financial Monitoring to 30 November 2013

3.1 The Property Revenue Maintenance Budget for 2013/14 has been set at £4,904,605. The table in **Appendix 3** summarises the allocated budgets by work category and details programme performance, commitment and expenditure as at 30 November 2013.

##### 3.2 Summary of Expenditure to Date

3.2.1 It will be noted from the table in **Appendix 3** that 82% of the budget has been spent or legally committed while 67% of the way through the year.

3.2.2: Current projections indicate that some programmed planned or cyclical works will need to be postponed until next financial year for the budget to be balanced. This pressure has arisen due to having to deal with storm damage events such as roofing reinstatement works to Inverness and Thurso High Schools, as well as carrying out additional essential statutory compliance works to public buildings.

#### 4. **Building Maintenance – Financial Monitoring to 30 November 2013**

4.1.1 **Appendix 4** shows the position to 30 November 2013. There will always be a difference due to timing between costs incurred by building maintenance and the income recognised in the ledger. At the end of November in addition to the £8.1m in the ledger there are work orders to the value of £1.8m at the closed stage due to come in to the ledger.

#### 5. **Implications**

5.1 Any resource, equality, risk, climate change/carbon clever or legal implications are contained in the report.

#### 6. **Recommendations**

6.1 Members are asked to approve the monitoring statements to 30 November 2013 for the Housing Revenue Account, Other Housing and Property Revenue Account and Building Maintenance account and progress with the Property Revenue Maintenance programme.

Designation: **Interim Director of Housing and Property**

Authors/Reference: David Goldie (Head of Housing)  
Finlay MacDonald (Property Manager)  
Caroline Campbell (Maintenance and Service Support Manager)

Date: 13 January 2014

## Housing Revenue Account - Revenue Expenditure Monitoring Report

1 April 2013 to 30th November 2013

Summary

	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
<b>BY ACTIVITY</b>				
<b>Expenditure:-</b>				
Supervision & Management	3,119	6,624	6,463	(161)
Tenant Participation	111	203	203	0
Sheltered Housing	407	721	676	(46)
Homelessness	185	411	386	(25)
Repairs & Maintenance	7,441	15,359	15,641	282
Central Support	0	2,843	2,843	0
Loan Charges	0	15,629	15,629	0
CFCR	0	4,325	4,348	23
<b>Gross Expenditure</b>	<b>11,263</b>	<b>46,116</b>	<b>46,190</b>	<b>74</b>
<b>Income:-</b>				
House Rents	(30,194)	(45,307)	(45,336)	(29)
House Rent Voids	499	593	748	155
Other Rents	(961)	(1,219)	(1,423)	(203)
Other Rent Voids	183	134	278	144
Other Income	(380)	(266)	(406)	(140)
Interest on Revenue Balances	0	(50)	(50)	0
<b>Gross Income</b>	<b>(30,853)</b>	<b>(46,116)</b>	<b>(46,190)</b>	<b>(74)</b>
	<b>(19,590)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>

### BY SUBJECTIVE

Staff Costs	2,899	5,319	5,073	(245)
Other Costs	8,364	40,797	41,117	319
<b>Gross Expenditure</b>	<b>11,263</b>	<b>46,116</b>	<b>46,190</b>	<b>74</b>
Grants	0	0	0	0
Other Income	(30,853)	(46,116)	(46,190)	(74)
<b>Gross Income</b>	<b>(30,853)</b>	<b>(46,116)</b>	<b>(46,190)</b>	<b>(74)</b>
	<b>(19,590)</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>

<b>Non-Housing Revenue Account - Revenue Expenditure Monitoring Report</b>
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<b>1 April 2013 to 30 November 2013</b>
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<b>Summary</b>
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	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
<b>BY ACTIVITY</b>				
<b><u>Expenditure</u></b>				
Housing Development Unit	151	230	230	(1)
Private Sector Housing Grant	1,161	1,579	1,579	0
Gypsy Traveller Sites	69	108	105	(2)
Homelessness/Leasing	4,418	6,082	5,437	(646)
Supporting People	1,421	1,729	1,906	177
Anti Social Behaviour	184	327	315	(12)
Misc Costs	(53)	455	452	(3)
Accommodation Account	2,127	3,371	3,406	35
Asset Management	417	628	628	0
Property Management	1,194	1,848	2,009	161
Energy & Sustainability	241	887	940	53
Consultancy	3,344	4,980	5,425	445
Revenue Maintenance	4,112	4,910	4,910	0
Estates & Investment Properties	476	724	723	(0)
Administration	429	1,072	1,032	(41)
<b>Gross Expenditure</b>	<b>19,690</b>	<b>28,931</b>	<b>29,097</b>	<b>166</b>
<b><u>Income</u></b>				
Housing Development Unit	(120)	(125)	(125)	0
Gypsy Traveller Sites	(90)	(169)	(137)	33
Homelessness/Leasing	(2,887)	(4,963)	(4,258)	706
House Loans	(1)	(2)	(2)	0
Misc Income	(56)	(69)	(78)	(9)
Accommodation Account	(19)	(99)	(91)	9
Asset Management	(36)	(57)	(54)	3
Property Management	(5)	(743)	(721)	22
Energy & Sustainability	(175)	(914)	(805)	109
Consultancy	(5,813)	(8,954)	(9,995)	(1,041)
Revenue Maintenance	(602)	(5)	(5)	0
Estates & Investment Properties	(1,965)	(2,758)	(2,757)	1
Administration	0	(117)	(117)	0
<b>Gross Income</b>	<b>(11,769)</b>	<b>(18,976)</b>	<b>(19,144)</b>	<b>(167)</b>
	<b>7,920</b>	<b>9,954</b>	<b>9,953</b>	<b>(2)</b>

**BY SUBJECTIVE**

Staff Costs	4,448	7,098	6,863	(235)
Other Costs	15,242	21,832	22,233	401
<b>Gross Expenditure</b>	<b>19,690</b>	<b>28,931</b>	<b>29,097</b>	<b>166</b>
Grants	0	0	0	0
Other Income	(11,769)	(18,976)	(19,144)	(167)
<b>Gross Income</b>	<b>(11,769)</b>	<b>(18,976)</b>	<b>(19,144)</b>	<b>(167)</b>
	<b>7,920</b>	<b>9,954</b>	<b>9,953</b>	<b>(2)</b>

## Appendix 3

### Property Revenue Maintenance Budget 2013/14

**Programme Performance: 1st April to 30th November 2013**

	Budget	Legally Committed	Paid	Balance	% of Budget Paid / LC	% Through Year
Day to Day Building	700,100	83,897	269,616	346,587	50%	<b>67%</b>
Day to Day Engineering	660,000	128,533	363,111	168,355	74%	
Service Contracts (Including Legionella and LPG Work)	1,071,336	51,536	1,156,962	-137,162	113%	
Vandalism	110,000	12,200	43,229	54,571	50%	
Planned Maintenance	524,000	120,151	261,001	142,848	73%	
Cyclical Maintenance	710,000	126,904	404,034	179,062	75%	
Kitchen Fabric - EHO Reports	50,000	5,770	26,919	17,311	65%	
Structural Surveys	25,000	11,745	8,429	4,826	81%	
Asbestos Work	100,000	8,112	26,725	65,163	35%	
Water Safety Remedial Works	0	5,175	28,262	-33,437		
Emergency Works	120,000	27,181	128,778	-35,958	130%	
HACC Beam Monitoring	30,000	0	0	30,000	0%	
Fire Legislative Measures	70,000	26,388	57,943	-14,331	120%	
Insurance Identified Work	50,000	7,510	116,117	-73,627	247%	
Insurance Surveys - Zurich	33,000	33,000	0	0	100%	
Storm Damage / Winter Contingency	72,849	16,903	79,297	-23,351	132%	
Leased Building Service Charges	20,000	2,500	0	17,500	13%	
Fees	602,320	0	402,647	199,673	67%	
<b>Overall Totals</b>	<b>4,904,605</b>	<b>667,505</b>	<b>3,373,070</b>	<b>908,030</b>	<b>82%</b>	

**HIGHLAND COUNCIL**  
**BUILDING MAINTENANCE**

**FINANCIAL MONITORING STATEMENT PERIOD 1 APRIL 2013 - 30 NOVEMBER 2013**

<b>SUMMARY</b>	<b>ANNUAL PLAN</b>	<b>PLANNED TO DATE</b>	<b>ACTUAL TO DATE</b>	<b>PROJECTED OUTTURN</b>	<b>YEAR END VARIANCE</b>
	£	£	£	£	£
<b>INCOME</b>					
HOUSING REPAIRS	(11,360,200)	(7,572,686)	(5,408,588)	(12,308,000)	(947,800)
HOUSING CAPITAL	(2,572,612)	(1,714,878)	(2,262,311)	(2,995,000)	(422,388)
NON HOUSING	(620,941)	(413,870)	(388,383)	(715,000)	(94,059)
RETURNS	0	0	911	0	0
ADDITIONAL INCOME	(250,000)	(166,634)	(10,941)	(252,000)	(2,000)
	<u>(14,803,753)</u>	<u>(9,868,069)</u>	<u>(8,069,313)</u>	<u>(16,270,000)</u>	<u>(1,466,247)</u>
<b>DIRECT COSTS</b>					
LABOUR COSTS	3,848,248	2,421,840	2,399,131	3,874,900	26,652
SUB CONTRACTORS	6,469,103	4,312,286	5,516,818	7,583,000	1,113,897
MATERIALS	1,338,361	892,124	1,027,405	1,685,000	346,639
TRANSPORT & PLANT	795,828	536,712	524,360	780,300	(15,528)
OTHER SUPPLIES & SERVICES	346,634	234,791	228,103	341,700	(4,934)
	<u>12,798,174</u>	<u>8,397,753</u>	<u>9,695,817</u>	<u>14,264,900</u>	<u>1,466,726</u>
<b>OVERHEADS</b>					
MANAGEMENT COSTS	874,223	582,900	495,617	874,700	477
APPORTIONED COSTS	289,229	219,194	139,833	288,900	(329)
SUPPORT COSTS	822,127	325,348	266,981	789,700	(32,427)
INTEREST ON REVENUE BALANCES	20,000	0	0	19,500	(500)
	<u>2,005,579</u>	<u>1,127,442</u>	<u>902,431</u>	<u>1,972,800</u>	<u>(32,779)</u>
<b>TOTAL COSTS</b>	<u>14,803,753</u>	<u>9,525,195</u>	<u>10,598,248</u>	<u>16,237,700</u>	<u>1,433,947</u>
<b>(SURPLUS) / DEFICIT</b>	<u>0</u>	<u>(342,874)</u>	<u>2,528,935</u>	<u>(32,300)</u>	<u>(32,300)</u>