

Agenda Item	10
Report No	FHR/32/14

Housing and Property Service Revenue Budgets: Monitoring to 31 December 2014

Report by the Director of Community Services and Director of Planning and Development

Summary

This report sets out the current position to 31 December 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 31 December 2014

1.1 **Appendix 1** shows the position to 31 December 2013. There is a change in loan charge estimates due to lower interest rates and the use of short-term rather than long-term borrowing in the first half of the year. This is the major contributing factor to a projected year end HRA surplus of £665k. It is expected that interest rates will move upwards and the projected underspend is a one-off in the current year.

2. Other Housing and Property Revenue – Financial Monitoring to 31 December 2013

2.1 **Appendix 2** shows the position to 31 December 2013. A number of variations against budget are reported on individual activity heading, but the overall projections is for a balanced budget.

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 31 December 2013.

3.2 Summary of Expenditure to Date

3.2.1 It will be noted from the table in **Appendix 3** that 86% of the budget has been spent or legally committed while 75% of the way through the year.

3.2.2: As previously reported to Committee, the postponement of planned and cyclical works will assist in the property Revenue Maintenance budget being brought in on target.

4. Building Maintenance – Financial Monitoring to 31 December 2013

4.1. **Appendix 4** shows the position to 31 December 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 December in addition to the £8.1m in the ledger there are work orders to the value of £2.8m 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 31 December 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: **Director of Community Services and Director of Planning and Development**

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

Date: 17 February 2014

Housing Revenue Account - Revenue Expenditure Monitoring Report

1 April 2013 to 31st December 2013

Summary

	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY				
Expenditure:-				
Supervision & Management	3,582	6,624	6,536	(88)
Tenant Participation	123	203	203	0
Sheltered Housing	456	721	676	(45)
Homelessness	196	411	429	18
Repairs & Maintenance	7,778	15,359	15,644	285
Central Support	0	2,843	2,843	0
Loan Charges	0	15,629	14,960	(669)
CFCR	0	4,325	4,325	0
Gross Expenditure	12,135	46,116	45,617	(499)
Income:-				
House Rents	(33,975)	(45,307)	(45,344)	(38)
House Rent Voids	554	593	738	145
Other Rents	(1,081)	(1,219)	(1,410)	(191)
Other Rent Voids	208	134	277	144
Other Income	(495)	(266)	(513)	(246)
Interest on Revenue Balances	0	(50)	(50)	0
Gross Income	(34,790)	(46,116)	(46,301)	(186)
	(22,654)	0	(685)	(685)

BY SUBJECTIVE

Staff Costs	3,243	5,309	5,021	(288)
Other Costs	8,893	40,807	40,596	(211)
Gross Expenditure	12,135	46,116	45,617	(499)
Grants	0	0	0	0
Other Income	(34,790)	(46,116)	(46,301)	(186)
Gross Income	(34,790)	(46,116)	(46,301)	(186)
	(22,654)	0	(685)	(685)

Non-Housing Revenue Account - Revenue Expenditure Monitoring Report
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1 April 2013 to 31 December 2013

Summary

	£000 Actual Year To Date	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
BY ACTIVITY				
Expenditure				
Housing Development Unit	170	230	229	(2)
Private Sector Housing Grant	454	1,579	1,579	0
Gypsy Traveller Sites	75	108	106	(2)
Homelessness/Leasing	4,788	6,082	5,490	(592)
Supporting People	1,686	1,729	1,729	0
Anti Social Behaviour	207	327	310	(17)
Misc Costs	(55)	455	551	96
Accommodation Account	2,176	3,371	3,345	(26)
Asset Management	473	628	631	3
Property Management	1,355	1,847	2,028	181
Energy & Sustainability	378	887	978	91
Consultancy	3,700	4,980	5,232	252
Revenue Maintenance	4,419	4,910	4,910	0
Estates & Investment Properties	566	724	723	(1)
Administration	441	1,062	1,014	(48)
Gross Expenditure	20,833	28,920	28,855	(65)
Income				
Housing Development Unit	(120)	(125)	(125)	0
Gypsy Traveller Sites	(102)	(169)	(135)	34
Homelessness/Leasing	(3,259)	(4,963)	(4,248)	715
House Loans	(2)	(2)	(2)	0
Misc Income	(73)	(69)	(87)	(18)
Accommodation Account	(92)	(99)	(90)	9
Asset Management	(36)	(57)	(48)	9
Property Management	(5)	(743)	(849)	(106)
Energy & Sustainability	(245)	(914)	(974)	(60)
Consultancy	(6,253)	(8,954)	(9,473)	(518)
Revenue Maintenance	(699)	(5)	(5)	0
Estates & Investment Properties	(2,207)	(2,758)	(2,758)	(0)
Administration	0	(117)	(117)	0
Gross Income	(13,093)	(18,976)	(18,911)	65
	7,740	9,943	9,944	(0)

BY SUBJECTIVE

Staff Costs	4,993	7,093	6,766	(327)
Other Costs	15,840	21,827	22,089	262
Gross Expenditure	20,833	28,920	28,854	(65)
Grants	0	0	0	0
Other Income	(13,093)	(18,976)	(18,911)	65
Gross Income	(13,093)	(18,976)	(18,911)	65
	7,740	9,943	9,943	(0)

Appendix 3

Property Revenue Maintenance Budget 2013/14

Programme Performance: 1st April to 31st December 2013

	Budget	Legally Committed	Paid	Balance	% of Budget Paid / LC	% Through Year
Day to Day Building	700,100	91,018	301,222	307,860	56%	75%
Day to Day Engineering	660,000	147,864	404,666	107,470	84%	
Service Contracts (Including Legionella and LPG Work)	1,071,336	51,536	1,156,962	-137,162	113%	
Vandalism	110,000	10,640	47,361	51,999	53%	
Planned Maintenance	524,000	106,257	282,230	135,514	74%	
Cyclical Maintenance	710,000	69,988	468,485	171,527	76%	
Kitchen Fabric - EHO Reports	50,000	5,915	27,924	16,161	68%	
Structural Surveys	25,000	2,750	14,568	7,682	69%	
Asbestos Work	100,000	7,906	29,509	62,585	37%	
Water Safety Remedial Works	0	4,050	5,017	-9,067		
Emergency Works	120,000	25,361	134,351	-39,711	133%	
HACC Beam Monitoring	30,000	0	0	30,000	0%	
Fire Legislative Measures	70,000	11,585	58,997	-582	101%	
Insurance Identified Work	50,000	6,360	126,265	-82,625	265%	
Insurance Surveys - Zurich	33,000	33,000	0	0	100%	
Storm Damage / Winter Contingency	72,849	35,992	92,442	-55,585	176%	
Leased Building Service Charges	20,000	2,500	0	17,500	13%	
Fees	602,320	0	453,803	148,517	75%	
Overall Totals	4,904,605	612,721	3,603,801	732,083	86%	

HIGHLAND COUNCIL
BUILDING MAINTENANCE

FINANCIAL MONITORING STATEMENT PERIOD 1 APRIL 2013 - 31 DECEMBER 2013

SUMMARY	ANNUAL PLAN	PLANNED TO DATE	ACTUAL TO DATE	PROJECTED OUTTURN	YEAR END VARIANCE
	£	£	£	£	£
INCOME					
HOUSING REPAIRS	(11,360,200)	(8,520,123)	(5,408,588)	(12,509,500)	(1,149,300)
HOUSING CAPITAL	(2,572,612)	(1,929,432)	(2,262,311)	(3,564,000)	(991,388)
NON HOUSING	(620,941)	(465,651)	(443,243)	(649,000)	(28,059)
RETURNS	0	0	841	0	0
ADDITIONAL INCOME	(250,000)	(187,482)	(10,941)	(252,000)	(2,000)
	<u>(14,803,753)</u>	<u>(11,102,689)</u>	<u>(8,124,242)</u>	<u>(16,974,500)</u>	<u>(2,170,747)</u>
DIRECT COSTS					
LABOUR COSTS	3,848,248	2,748,246	2,753,529	3,893,400	45,152
SUB CONTRACTORS	6,469,103	4,851,807	6,063,025	8,267,000	1,797,897
MATERIALS	1,338,361	1,003,740	1,145,396	1,705,000	366,639
TRANSPORT & PLANT	795,828	601,473	576,292	763,800	(32,028)
OTHER SUPPLIES & SERVICES	346,634	262,708	246,507	342,900	(3,734)
	<u>12,798,174</u>	<u>9,467,974</u>	<u>10,784,749</u>	<u>14,972,100</u>	<u>2,173,926</u>
OVERHEADS					
MANAGEMENT COSTS	874,223	655,720	547,952	874,700	477
APPORTIONED COSTS	289,229	236,615	143,808	288,900	(329)
SUPPORT COSTS	822,127	366,054	282,409	790,700	(31,427)
INTEREST ON REVENUE BALANCES	20,000	0	0	20,000	0
	<u>2,005,579</u>	<u>1,258,389</u>	<u>974,168</u>	<u>1,974,300</u>	<u>(31,279)</u>
TOTAL COSTS	<u>14,803,753</u>	<u>10,726,363</u>	<u>11,758,917</u>	<u>16,946,400</u>	<u>2,142,647</u>
(SURPLUS) / DEFICIT	<u>0</u>	<u>(376,326)</u>	<u>3,634,674</u>	<u>(28,100)</u>	<u>(28,100)</u>