

Agenda Item	3
Report No	HP/10/20

HIGHLAND COUNCIL

Committee: Housing and Property

Date: 9 September 2020

Report Title: Housing Revenue Account (HRA) and Non-HRA Budget Monitoring Statement to 30 June 2020

Report By: Executive Chief Officer Property and Housing

1 Purpose/Executive Summary

- 1.1 This report provides the monitoring position for the Housing Revenue Account and non-Housing Revenue Account revenue budgets for the period from 1 April 2020 to 30 June 2020.

2 Recommendations

- 2.1 Members are invited to approve the budget position on the Housing Revenue Account and non-Housing Revenue Account.

3 Implications

- 3.1 Resource – There are no implications arising from this report.
- 3.2 Risk – There are no implications arising from this report.
- 3.3 Community (Equality, Poverty and Rural), Legal, Risk, Climate Change / Carbon Clever, Gaelic – There are no implications arising as a direct result of this report.

4 Background

- 4.1 There are two main elements of the Housing Revenue Budget included in this report. The Housing Revenue Account (HRA) is used to account for income and expenditure associated with the Council's front-line housing services to Council house tenants and the costs associated with Council housing. In addition, there is a Non-Housing Revenue Account (Non-HRA) element of the budget, which is part of the Council's overall General Fund, and which relates to housing services that are not directly provided to Council tenants. The revenue expenditure monitoring statement reflecting the position to 30 June 2020 and containing estimated out-turn figures for 2020/21 is attached at **Appendix 1**.

5. Housing Revenue Account

- 5.1 At this stage there are underspends projected on the direct costs for delivering housing management services, as shown across the Supervision and Management, Tenant Participation and Sheltered Housing functions. These are mainly attributable to reduced staff costs arising from vacant posts and on costs such as staff travel. In the case of the tenant participation budget there has also been a reduction in spend on travel, accommodation and venue costs for tenant group meetings.
- 5.2 An underspend is projected on repairs and maintenance expenditure, which includes repairing empty homes. This largely reflects the reduced volume of repairs that were being undertaken during lockdown, and mainly relates to savings on budgeted contractor costs. It is likely that expenditure on repairs will increase in future quarters.
- 5.3 Rent loss on vacant mainstream houses is showing an estimated underspend, with an overspend projected on rent loss on other properties. The latter figure relates to rent loss for HRA houses used as temporary accommodation and to garages. We have experienced delays in undertaking reletting repairs as well as furnishing and servicing of temporary accommodation during the quarter as a result of Covid-19 restrictions. Rent loss on empty garages is also slightly higher than budgeted.
- 5.4 On the income side, both mainstream and other rent income are below budget at this stage of the year. This is due to rent income from new build property being below estimated levels in the year to date as a result of slippage in the new build programme against original estimates, and an increase in the number of mainstream properties being used for temporary accommodation.
- 5.5 As a result of the budget variations described above Capital from Current Revenue is currently estimated to be lower than budgeted at year end.

6. Non-Housing Revenue Account

- 6.1 Year to date expenditure on the Non-Housing Revenue Account is broadly in line with the budget. We are reporting a small underspend on homelessness costs year to date.

Designation: Executive Chief Officer Property and Housing

Date: 21 August 2020

Authors: David Goldie, Head of Housing and Building Maintenance
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HOUSING AND PROPERTY

Revenue Expenditure Monitoring Statement

1 April 2020 to 30 June 2020

Financial Detail

BY ACTIVITY

Housing Revenue Account

Supervision and Management
Tenant Participation
Sheltered Housing
Homelessness
Repairs and Maintenance
House Rent Voids
Other Rent Voids
Central Support
Loan Charges
Capital Funded from Current Revenue

£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
7237	8,059	7,970	(89)
41	291	217	(74)
93	722	608	(114)
267	1,085	1,027	(58)
2959	19,647	19,483	(164)
175	783	762	(21)
102	240	357	117
	3,772	3,772	0
	20,997	20,997	0
	826	795	(31)
10,874	56,422	55,988	(434)

Gross Expenditure

House Rents
Other Rents
Other Income
Interest on Revenue Balances

(12,047)	(52,998)	(52,766)	232
(762)	(2,987)	(2,934)	53
304	(375)	(226)	149
	(62)	(62)	0
(12,505)	(56,422)	(55,988)	434

Gross Income

HRA TOTAL

(1,631)	0	0	0
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BY SUBJECTIVE

Staff Costs
Other Costs
Gross Expenditure
Grants
Other Income
Total Income

2,448	12,431	11,011	(1,420)
8,426	43,991	44,977	986
10,874	56,422	55,988	(434)
365	(187)	(55)	132
(12,870)	(56,235)	(55,933)	302
(12,505)	(56,422)	(55,988)	434

(1,631)	0	0	0
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Non-Housing Revenue Account

Homelessness
Supporting People
Gypsy Traveller Sites

(24)	2,241	2,191	(50)
278	1,544	1,544	0
(15)	(35)	(35)	0

NON-HRA TOTAL

239	3,750	3,700	(50)
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BY SUBJECTIVE

Staff Costs
Other Costs
Gross Expenditure
Grants
Other Income
Total Income

290	1,357	1,203	(154)
1,091	5,725	5,814	89
1,381	7,082	7,017	(65)
(356)	(126)	(109)	17
(786)	(3,206)	(3,208)	(2)
(1,142)	(3,332)	(3,317)	15

239	3,750	3,700	(50)
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