

Agenda Item	9.
Report No	CLH 46/19

HIGHLAND COUNCIL

Committee: Care, Learning and Housing Committee

Date: 21 August 2019

Report Title: Housing Revenue Account (HRA) and Non-HRA Budget Monitoring Statement to 30 June 2019

Report By: Interim Chief Officer Resources (Community Services)

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 2018 to 30 June 2019.

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 2019 and containing estimated out-turn figures for 2019/20 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, Anti-social behaviour and Sheltered Housing functions. These are mainly attributable to reduced staff costs arising from vacancy management. No variation is anticipated on repairs and maintenance to Council housing.
- 5.2 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. The variations against budget relate to the number of housing properties in use as temporary accommodation against estimates and the turnover rate of those properties. Rent loss on empty garages is also higher than budgeted.
- 5.3 Overall expenditure is below budget, and this has been reflected in the monitoring statement by an increase in estimated expenditure on Capital from Current Revenue.
- 5.4 On the income side, mainstream rent income is below budget at this stage of the year, but this is balanced by other rent income being ahead of budget. 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.

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, however as will be seen from the separate report on housing performance for the quarter we have seen an increase in homeless presentations in the quarter which may affect the accommodation budget as the year progresses.

Designation: Interim Chief Officer Resources (Community Services)

Date: 12 August 2019

Authors: David Goldie, Head of Housing and Building Maintenance
Mike Mitchell, Services Finance Manager

COMMUNITY SERVICES

Revenue Expenditure Monitoring Statement

1 April 2019 to 30 June 2019

Financial Detail

BY ACTIVITY

Housing Revenue Account

Supervision and Management	1,579	7,762	7,465	(297)
Tenant Participation	56	289	235	(54)
Sheltered Housing	137	711	640	(71)
Homelessness	129	878	774	(104)
Anti Social Behaviour	79	339	320	(19)
Repairs and Maintenance	4,781	17,590	17,590	0
House Rent Voids	123	754	588	(166)
Other Rent Voids	90	229	386	157
Central Support	0	3,577	3,577	0
Loan Charges	0	19,445	19,445	0
Capital Funded from Current Revenue	0	2,456	3,013	557

Gross Expenditure

House Rents	(5,832)	(51,134)	(50,964)	170
Other Rents	(680)	(2,455)	(2,619)	(164)
Other Income	13	(379)	(388)	(9)
Interest on Revenue Balances	0	(62)	(62)	0

Gross Income

£000 Actual YTD	£000 Annual Budget	£000 Year End Estimate	£000 Year End Variance
6,974	54,030	54,033	3
(6,499)	(54,030)	(54,033)	(3)

HRA TOTAL

475	0	0	0
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BY SUBJECTIVE

Staff Costs	1,340	6,230	5,734	(496)
Other Costs	5,634	47,800	48,299	499
Gross Expenditure	6,974	54,030	54,033	3
Grants	0	(62)	(62)	0
Other Income	(6,499)	(53,968)	(53,971)	(3)
Total Income	(6,499)	(54,030)	(54,033)	(3)

1,340	6,230	5,734	(496)
5,634	47,800	48,299	499
6,974	54,030	54,033	3
0	(62)	(62)	0
(6,499)	(53,968)	(53,971)	(3)
(6,499)	(54,030)	(54,033)	(3)

475	0	0	0
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Non-Housing Revenue Account

Homelessness	398	1,887	1,861	(26)
Supporting People	177	1,544	1,544	0
Gypsy Traveller Sites	(12)	(32)	(25)	7

398	1,887	1,861	(26)
177	1,544	1,544	0
(12)	(32)	(25)	7

NON-HRA TOTAL

563	3,399	3,380	(19)
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BY SUBJECTIVE

Staff Costs	267	1,120	1,068	(52)
Other Costs	1,140	6,051	5,288	(763)
Gross Expenditure	1,407	7,171	6,356	(815)
Grants	0	(30)	(30)	0
Other Income	(844)	(3,742)	(2,946)	796
Total Income	(844)	(3,772)	(2,976)	796

267	1,120	1,068	(52)
1,140	6,051	5,288	(763)
1,407	7,171	6,356	(815)
0	(30)	(30)	0
(844)	(3,742)	(2,946)	796
(844)	(3,772)	(2,976)	796

563	3,399	3,380	(19)
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