Agenda Item	4
Report No	HP/14/20

HIGHLAND COUNCIL

Committee:	Housing and Property Committee	
Date:	10 December 2020	
Report Title:	Housing Revenue Account (HRA) and Non-HRA Budget Monitoring Statement to 30 September 2020	
Report By:	Executive Chief Officer Property and Housing	

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 September 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

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- 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 September 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 the relates mainly 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. Although the position has improved since Quarter 1, we are continuing to experience some delays in undertaking releting repairs as well as furnishing and servicing of temporary accommodation 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 higher 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:	27 November 2020
Authors:	David Goldie, Head of Housing and Building Maintenance Mike Mitchell, Services Finance Manager

HOUSING AND PROPERTY

Revenue Expenditure Monitoring Statement

1 April 2020 to 30 September 2020

Financial Detail

BY ACTIVITY	£000	£000	£000	£000
	Actual	Annual	Year End	Year End
	YTD	Budget	Estimate	Variance
Housing Revenue Account				
Supervision and Management	8490	8,059	7,941	(118)
Tenant Participation	83	291	221	(70)
Sheltered Housing	225	722	603	(119)
Homelessness	658	1,085	1,028	(57)
Repairs and Maintenance	6213	19,647	19,497	(150)
House Rent Voids	360	783	716	(67)
Other Rent Voids	196	240	333	93
Central Support		3,772	3,772	0
Loan Charges		20,997	21,014	17
Capital Funded from Current Revenue		826	906	80
Gross Expenditure	16,225	56,422	56,031	(391)
House Rents	(26,262)	(52,998)	(52,730)	268
Other Rents	(1,540)	(2,987)	(2,964)	23
Other Income	140	(375)	(275)	100
Interest on Revenue Balances		(62)	(62)	0
Gross Income	(27,662)	(56,422)	(56,031)	391
HRA TOTAL	(11,437)	0	0	0

BY SUBJECTIVE

Staff Costs	5,117	12,431	10,929	(1,502)
Other Costs	11,108	43,991	45,102	1,111
Gross Expenditure	16,225	56,422	56,031	(391)
Grants	289	(187)	(77)	110
Other Income	(27,951)	(56,235)	(55,954)	281
Total Income	(27,662)	(56,422)	(56,031)	391

(11,437)

Non-Housing Revenue Account

Homelessness Supporting People Gypsy Traveller Sites

NON-HRA TOTAL

BY SUBJECTIVE

Staff Costs Other Costs Gross Expenditure Grants Other Income Total Income

678	3,750	3,747	(3)
(32)	(35)	(38)	(3)
654	1,544	1,544	0
56	2,241	2,241	0

0

0

0

678	3,750	3,747	(3)
(2,178)	(3,332)	(3,335)	(3)
(506) (1,672)	(126) (3,206)	(135) (3,200)	(9) 6
2,856	7,082	7,082	0
601 2,255	1,357 5,725	1,196 5,886	(161) 161
004	4 057	4 400	(404)