

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Housing Portfolio Holder

15 February 2012

AUTHOR/S: Executive Director, Corporate Services

FINANCIAL MONITORING REPORT HOUSING PORTFOLIO Q3 – 2011/12

Purpose

1. This report compares the third quarter's capital expenditure for the Housing Portfolio with the draft revised budget for the year ending 31 March 2012 and the revenue expenditure for the Housing Portfolio to profiled budgets for the Housing General Fund and the Housing Revenue Account (HRA).

Recommendations

2. The Housing Portfolio Holder is asked to note and comment on the financial position at the end of the third quarter of this financial year.

Reasons for Recommendations

3. Whilst the Portfolio Holder's comments can influence future expenditure and income, the report relates to the out-turn at the end of the third quarter of the year which cannot now be altered.

Background

4. A financial monitoring report on the 2010-11 out-turn was presented at the June Housing Portfolio Meeting, a report covering the first quarter of this year at the July meeting and a report on the second quarter to the November meeting. This is the third report covering expenditure in the financial year 2011-12 and covers the period to the end of September 2011. This is, therefore, the fourth report on expenditure and covers the period to the end of December 2011.
5. All of the information in the appendices is based on net payments made to the end December 2011 in relation to the 2011/12 financial year, compared to the draft revised estimate exclusive of any recharges. In this context, the Portfolio Holder should note that there might still be outstanding expenditure and/or income that has not been taken into account.
6. The draft estimates were only prepared in late December, therefore, very little variation would be expected between expenditure at the end of December and the profiled revised estimates.
7. There are separate appendices for the Housing Capital Programme (**Appendix A**), the Housing General Fund (**Appendix B**) and the Housing Revenue Account (**Appendix C**).

Considerations

CAPITAL PROGRAMME

8. **Appendix A** provides a capital position statement for the first nine months of this financial year and shows the payments made, net of recharges, together with any firm commitments. In this context, a firm commitment would arise where, for example, a

contract has been signed for work that is expected to be completed during this financial year.

9. The largest item within the budget covers the improvement work to the housing stock and the whole amount allocated for 2011/12 is expected to be spent by the end of the year.
10. The budget for repurchase of shared ownership properties has been decreased by £300,000 to £1,500,000. Whilst there is relatively little left uncommitted from this revised amount, the timescale for completing legal paperwork limits the potential for additional repurchases to be finalised before the end of March.

HOUSING GENERAL FUND

11. **Appendix B** gives the General Fund position and compares expenditure to the profiled draft revised budget excluding recharges.
12. There is an under-spend on homelessness of around £2,700, however, there has recently been an increased need to resort to the use of Bed and Breakfast accommodation which is relatively expensive. The housing advice and options manager is of the opinion that the upsurge in homeless applications being experienced may lead to a higher level of demand for accommodation in the last few weeks of the financial year.
13. The small net under-spend on the Home Improvement Agency is owing to slightly more fee income than expected having been received by the end of the December. T
14. Housing General Fund financial position at the end of December is showing a small under-spend when the compared to the revised estimates.

HOUSING REVENUE ACCOUNT

15. **Appendix C** shows the estimate of the HRA position at the end of December 2011 net of recharges. The statement shows an overall under-spend.
16. The only significant area of underspend is on revenue repairs to Council properties. Until very recently, the weather has been mild and consequently there has been little expenditure on items such as burst pipes. Expenditure on response repairs is difficult to predict and bad weather related repairs could increase in the last months of the year.
17. The HRA financial position at the end of December appears to be healthy with a relatively small net under-spend.

Implications

18.	Financial	None
	Legal	None
	Staffing	None
	Risk Management	None
	Equal Opportunities	None
	Climate Change	None

Consultations

19. The cost centre managers have been informed of the expenditure and have contributed to the narrative of this report.

Effect on Strategic Aims

20. The report has no effect on the strategic aims.

Conclusions/Summary

21. The financial position at the end of the third quarter appears to be healthy with modest under-spends on both the Housing General Fund and the Housing Revenue Account.
22. The budgets were only reviewed during December and, as a consequence, little significant variation between expenditure at the end of December and the profiled revised estimates would be expected,

Background Papers: the following background papers were used in the preparation of this report:

Draft Estimate Book – As presented to Cabinet 9 February 2012.

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