

Item: 6

Education, Leisure and Housing Committee: 11 September 2019.

Housing Revenue Account – Revenue Repairs and Maintenance Programme – Outturn.

Joint Report by Executive Director of Education, Leisure and Housing and Head of Finance.

1. Purpose of Report

To advise of the expenditure outturn on the Housing Revenue Account revenue repairs and maintenance programme for financial year 2018 to 2019.

2. Recommendations

The Committee is invited to note:

2.1.

The summary outturn position of expenditure against the approved revenue repairs and maintenance programme in respect of the Housing Revenue Account for financial year 2018 to 2019, as detailed in section 4.2 of this report.

2.2

The explanations given in respect of significant budget variances, as detailed in Appendix 1 to this report.

3. Background

3.1.

The Corporate Asset Management Plan 2019 to 2023 takes account of guidance produced by the Chartered Institute of Public Finance and Accountancy and has streamlined the suggested framework to incorporate and complement the existing Capital Project Appraisal system.

3.2.

The Corporate Asset Management Plan summarises the Council's aims and objectives for its assets to ensure that they are used in an effective and efficient manner.

3.3.

The purpose of this report is to present an overview or summary of the expenditure incurred in financial year 2018 to 2019 to allow Members the opportunity to scrutinise the spending levels against approved budgets and gauge the extent to which the Council's assets are routinely being maintained and replaced.

4. Budget Outturn

4.1.

Appendix 1 shows the position of expenditure incurred for the period 1 April 2018 to 31 March 2019, against the approved programme, and provides a breakdown of the various programmes of work undertaken for financial year 2018 to 2019.

4.2.

The outturn position at 31 March 2019 was expenditure of £963,700 against an annual budget of £1,244,300 leaving an underspend of £280,600.

5. Corporate Governance

This report relates to the Council complying with its governance and financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and Local Improvement Plan.

6. Financial Implications

6.1.

The Financial Regulations state that service directors are able to incur expenditure within approved revenue and capital budgets. Such expenditure must be in accordance with the Council's policies and objectives and subject to compliance with the Financial Regulations and approved schemes of delegation.

6.2.

The development of a corporate approach to asset management planning should lead to efficiencies in the use of fixed assets, together with the potential for rationalisation of the Council's property estate going forward.

6.3.

More detailed monitoring of expenditure on the Housing Revenue Account revenue repairs and maintenance programme will result in improved accountability in relation to the deliverance of the approved programmes of work and ensure Members are kept informed of progress.

7. Legal Aspects

Regular financial monitoring and reporting help the Council meet its statutory obligation to secure best value.

8. Contact Officers

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9. Appendix

Appendix 1: Housing Revenue Account – Revenue Repairs and Maintenance Programme 2018 to 2019 expenditure analysis as at 31 March 2019.

APPENDIX 1

Repairs and Maintenance Programme	Budget 2018/19 £000's	Actual Expenditure 2018/19 £000's	Over/(Under) spend as at 31 March 2019 £000's	Update
Cyclical Maintenance	35.0	67.5	32.5	More external decoration completed during exceptionally good weather.
Planned Maintenance	405.0	186.0	(219.0)	Window-door and kitchen-bathroom works on-site but spend anticipated on roofing works, decarbonisation project (air to air heating trial) etc. were not able to be commissioned. No major refurbishments required to voids.
Reactive Repairs	352.7	340.0	(12.7)	On budget.
Voids / Improvements / Adaptations	284.2	209.1	(75.1)	Lower spend on voids as less improvements and SHQS related work being carried out.
In-House Professional Fees (Development and Infrastructure)	146.1	146.1	-	
Contingency	21.3	15.0	(6.3)	
TOTALS	1,244.3	963.7	(280.6)	