

## **Item: 12**

**Education, Leisure and Housing Committee: 6 September 2023.**

**Housing Revenue Account.**

**Revenue Repairs and Maintenance Programme – Expenditure  
Outturn.**

**Report by 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 2022/23.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

The summary position of expenditure incurred against the approved revenue repairs and maintenance programme in respect of the Housing Revenue Account for financial year 2022/23, as detailed in section 4.2 of this report, indicating an overspend of £176,000 against an approved budget totalling £1,548,500.

The Committee is invited to scrutinise:

#### **2.2.**

The explanations given in respect of significant budget variances, as detailed in Appendix 1 to this report, in order to obtain assurance made with delivery of the approved revenue repairs and maintenance programme for 2022/23 in respect of the Housing Revenue Account.

### **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. This has been further supplemented by the Property Asset Management Plan approved on 10 December 2019.

### **3.3.**

The purpose of this report is to present an overview or summary of the expenditure incurred in financial year 2022/23 and 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 Monitoring**

### **4.1.**

Appendix 1 shows the position of expenditure incurred for the period 1 April 2022 to 31 March 2023, against the approved programme and provides a breakdown of the various programmes of work to be undertaken during the financial year.

### **4.2.**

The position at 31 March 2023 was expenditure of £1,724,500 against an annual budget of £1,548,500, giving an overspend of £176,000. The overspend on the Repairs and Maintenance contribution was funded from the Housing Revenue Account Property Maintenance Fund built up using previous underspends.

## **5. Corporate Governance**

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

## **6. Financial Implications**

### **6.1.**

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

## **7. Legal Aspects**

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

## **8. Contact Officer**

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## **9. Appendix**

Appendix 1: Housing Revenue Account Revenue Repairs and Maintenance Outturn Report as at 31 March 2023.

## Appendix 1

<b>Repairs and Maintenance Programme</b>	<b><u>Actual Expenditure</u> 31 March 2023 £000's</b>	<b><u>Approved Budget</u> 2022/23 £000's</b>	<b><u>Overspend / (Underspend)</u> £000's</b>	<b><u>Update</u></b>
Cyclical Maintenance	104.9	80.0	24.9	Several large heat pump replacements required in year coupled with increased costs, up to 20% for some materials.
Planned Maintenance	592.3	581.5	10.8	Window, doors, kitchen and bathroom projects progressed in Q3 and Q4. Large number of Electrical Inspection Condition Reports (EICRs) and interlinked smoke alarm installations delivered to housing stock in Q4.
Reactive Repairs	360.7	320.0	40.7	Increases of material and delivery costs in excess of 20% in some cases noted throughout Q1-Q3 Increases stabilised in Q4 but remain high. Repairs in Q3 and Q4 targeted on a fabric and emergency basis to help reduce overspend.
Voids/Improvements/Adaptations	415.6	365.0	50.6	Works being carried out in response to void properties as they become available. Ongoing increase in material costs impacting on costs. Additional spend on voids relating to Energy Efficiency Standard for Social Housing (EESH) 2 works incurred during the period.
In-House Professional Fees	251.0	202.0	49.0	Increase in professional fees due to increased officer time required to manage the delivery of Electrical Inspection Condition Reports (EICRs) and interlinked smoke alarm installations following poor performing projects.
<b>TOTALS</b>	<b>1,724.5</b>	<b>1,548.5</b>	<b>176.0</b>	