

WEST DUNBARTONSHIRE COUNCIL

Report by the Strategic Lead Housing and Employability

Housing and Communities Committee : 14 August 2019

Subject: Housing Revenue Account Budgetary Control Report to 30 June 2019 (Period 3)

1. Purpose

1.1 The purpose of the report is to provide members with an update on the financial performance to 30 June 2019 (Period 3) of the HRA revenue and capital budgets.

2. Recommendations

2.1 Members are asked to:

- i) note the contents of this report which shows the revenue budget forecast to underspend against budget by £0.035m (0.1%) at the year-end; and
- ii) note the net projected annual position in relation to relevant capital projects which is showing no projected variance.

3. Background

Revenue

3.1 At the meeting of West Dunbartonshire Council on 14 February 2019, Members agreed the revenue estimates for 2018/2019 and a total budget of £43.204m.

Capital

3.2 At the meeting of Council on 14 February 2019, Members also agreed the updated Capital Plan for 2019/20 which has been augmented by slippage from 2018/19 to produce a total planned spend for 2019/20 of £62.316m.

4. Main Issues

Revenue

4.1 The budgetary position for HRA Revenue is provided in Appendix 1 with information on projected variances valued at more than £50,000 being provided as Appendix 2, and shows a projected underspend of £0.035m.

Capital

4.2 The HRA capital summary position is shown in Appendix 3. There are no projects categorised as either “red” or “amber” and Appendix 4 provides

information on two projects within the “Green” category. A summary of anticipated resources is shown in Appendix 5. At present projections are showing no variance or slippage within 2019/20.

- 4.3** The Strategic Housing Investment Plan (SHIP) 2018-2023, outlining West Dunbartonshire’s Affordable Housing Supply Programme (AHSP) through the More Homes West Dunbartonshire approach was approved by the Housing and Communities Committee in November 2018 with an updated budget being approved at Council on 14 February 2019. An update on the programme and progress on each site will be provided, in a separate report, to this Committee meeting. At this point costings for the various sites within the AHSP are being finalised as part of the procurement processes for these sites. Current projections of costs are showing that the St Andrews site is expected to be over budget by around £0.900m, whilst others are currently projected to underspend. Currently the underspends projected don’t match the St Andrews projected overspend. Once the costing exercise is complete it may be necessary to seek Council permission to vire funds between budgets within the ASHP and/or to accelerate funds from planned future years spend within the ASHP.

5. People Implications

- 5.1** There are no people implications.

6. Financial and Procurement Implications

- 6.1** Other than the financial position noted above, there are no financial implications of the budgetary control report. There are no procurement implications arising from this report.

7. Risk Analysis

- 7.1** The main financial risks to the ongoing financial position relate to unforeseen cost being identified between now and the end of the financial year. This can affect all service areas.

8. Equalities Impact Assessment (EIA)

- 8.1** The report is for noting and therefore no Equalities Impact Assessment was completed for this report.

9 Consultation

- 9.1** The views of both Finance and Legal services have been requested on this report and both have advised there are neither any issues nor concerns with the proposal. As the report is for noting no further consultation is envisaged.

10. Strategic Assessment

- 10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council. This report is for noting and, therefore, does not directly affect any of the strategic priorities.

Peter Barry
Strategic Lead – Housing and Employability
Date: 24 July 2019

Person to Contact: Janice Rainey - Business Unit Finance Partner (HEED),
16 Church Street, Dumbarton, G82 1QL,
telephone: 01389 737704, e-mail janice.rainey@west-dunbarton.gov.uk

Appendices: Appendix 1 - Budgetary Position (Revenue)
Appendix 2 - Variance analysis (Revenue)
Appendix 3 - Budgetary Position (Capital)
Appendix 4 - Variance analysis Green Projects (Capital)
Appendix 5 - Resources (Capital)

Background Papers: None

Wards Affected: All