

## HOMES & COMMUNITIES COMMITTEE

7 JUNE 2021

### HOMES & COMMUNITIES REVENUE AND CAPITAL FINANCIAL OUTTURN REPORT TO 31 MARCH 2021

#### **1.0 Purpose of Report**

1.1 To present to Members the 2020/21 financial outturn position on the Homes & Communities Committee's revenue and capital budgets, including:-

- General Fund (GF) Revenue
- Housing Revenue Account (HRA)
- Capital Programme

1.2 It was requested by Members at the Policy & Finance Committee during February 2020 that reports were presented to individual Committees, for noting, for them to understand the financial position of their Committee.

#### **2.0 Background Information**

2.1 The financial outturn position to 31 March 2021 for the Homes & Communities Committee's GF revenue services is a favourable variance of £0.068m. The main reasons for this variance are in **Appendix A** attached.

2.2 The financial outturn position to 31 March 2021 for the HRA before appropriations to reserves is a favourable variance of £2.174m. The main reasons for this variance are below:

<b>Main reasons for variances</b>	<b>2020/21 (£m)</b>
A number of posts remaining vacant throughout the financial year	(0.716)
Net efficiencies generated from bringing housing management services back into the council	(0.691)
Additional rental income compared with budget	(0.522)
Lower than anticipated recharge to General Fund in relation to vacant posts	(0.143)
Favourable variance on utilities, postage, telephones and training	(0.099)
Reduced spend on responsive repairs due to Covid-19	(0.057)
Other variances	(0.051)
<b>Total: Services</b>	<b>(2.279)</b>
Additional interest expenditure compared with budget	0.119
Other variances	(0.015)
<b>Total: Overall (before appropriations to reserves)</b>	<b>(2.174)</b>

2.3 The £2.174m shown in the table above has been appropriated into HRA reserves with £0.705m being transferred into Earmarked Reserves (this includes the £0.691m generated through the efficiencies made in year and £0.014m received in year through a community donation by EEM). The remaining £1.469m has been transferred into the Major Repairs Reserve to fund future capital expenditure.

- 2.4 The financial outturn position to 31 March 2021 for the Homes & Communities Committee's GF capital programme is a favourable variance of £1.805m, of which £1.167m requires reprofiling to 2021/22. Further details are in **Appendix B** attached.

	<b>Budget Approved as per P&amp;F 21.01.21</b>	<b>Revised budget post- P&amp;F</b>	<b>2020/21 Outturn</b>	<b>Variance</b>
General Fund	1.681	1.693	1.167	(0.526)
General Fund REFCUS *	1.942	1.942	0.663	(1.279)
<b>Total</b>	<b>3.623</b>	<b>3.635</b>	<b>1.830</b>	<b>(1.805)</b>

\*REFCUS relates to Revenue Expenditure funded from Capital under Statute i.e. expenditure on non-Council-owned assets e.g. disabled facilities grants.

- 2.5 The financial outturn position to 31 March 2021 for the HRA's capital programme is a favourable variance of £6.491m, of which £5.702m requires reprofiling to 2021/22. The difference of £0.789m mainly relates to the Investment Programme, for which there is an annual budget. Budgets only require reprofiling either where new statutory obligations will require additional spend, such as fire safety, or where work is in progress against contracts the council has entered into. Further details are in **Appendix C** attached.

	<b>Budget Approved as per P&amp;F 21.01.21</b>	<b>Revised budget post- P&amp;F</b>	<b>2020/21 Outturn</b>	<b>Variance</b>
HRA	21.419	21.597	15.106	(6.491)
HRA REFCUS *	0.105	0.105	0.105	0.000
<b>Total</b>	<b>21.524</b>	<b>21.702</b>	<b>15.211</b>	<b>(6.491)</b>

\*REFCUS relates to Revenue Expenditure funded from Capital under Statute i.e. expenditure on non-Council-owned assets e.g. disabled facilities grants.

### **3.0 Financial Implications (FIN21-22/7952)**

- 3.1 The financial implications will all be contained within the report to Policy & Finance Committee on 24 June.

### **4.0 RECOMMENDATION**

**That the contents of this report be noted.**

#### **Reason for Recommendation**

**To inform Members of the financial outturn position for the Homes & Communities Committee as at 31 March 2021.**

#### **Background Papers**

Nil

For further information please contact Nick Wilson, Business Manager – Financial Services on Ext. 5317

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