

Central Bedfordshire Council

Executive

5 December 2017

September 2017 Q2 Housing Revenue Account Budget Monitoring

Report of Cllr Carole Hegley, Executive Member for Social Care and Housing (carole.hegley@centralbedfordshire.gov.uk) and Cllr Richard Wenham, Deputy Leader and Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

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This report relates to a Non Key Decision.

Purpose of this report

1. The report provides information on the 2017/18 Housing Revenue Account (HRA) projected outturn revenue and capital position as at September 2017.

RECOMMENDATIONS

The Executive is asked to note :

1. that the Revenue forecast position is to achieve a balanced budget with a contribution to HRA Reserves of £6.182M, thus strengthening the Council's ability to invest and improve its stock of Council;
2. that the Capital forecast position indicates a net outturn of £8.227M, against a budget of £14.342M. It is proposed that £2.539M of future investment works are deferred to 2018/19;
3. that Right to Buy (RtB) sales will be monitored for the possible impact on predicted surpluses in the medium to longer term; and
4. the virement of the underspend at Croft Green (£3.725M) to the New Build and Acquisitions budget line, to enable further purchases of properties that will address the increasing temporary accommodation pressure in the General Fund.

Issues

2. The **revenue** forecast position as at the end of September 2017 projects a year end surplus of £6.182M compared to a budgeted surplus of £6.115M, a increase of £0.067M.
3. The forecast position for the HRA **capital** programme indicates a net outturn below budget at £8.227M; this includes deferred works of £4.009M from 2016/17. It is proposed that £2.539M of future investment works are deferred to 2018/19.
4. The 2017/18 budget for the HRA anticipates a contribution to the Independent Living Development Reserve (ILDR) of £5.796M and contribution to the Strategic reserve of £0.319M. The year end forecast currently suggests a contribution to reserves of £6.182M, comprised of £5.796 to ILDR and £0.386M to the Strategic reserve. This equates to a predicted total reserve balance of £28.053M

Council Priorities

5. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

6. None.

Financial Implications

7. The financial implications are contained in the report.

Equalities Implications

8. Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Appendices

Appendix A – Housing Revenue Account Detailed Commentary