

REPORT TO: Cabinet Member for Housing

DATE: 11 November 2008

**REPORT BY: Roger Ching – Strategic Director and
Section 151 Officer**

Written by: Peter Pennekett, Financial Services

Housing Portfolio - Cash Limit Budget Monitoring report 2008/09

1. Purpose of the report

To inform the Cabinet Member for Housing of projected expenditure against the cash limit for the current financial year 2008/09.

2. Recommendation

That the report be noted.

3. Legal issues

The City Solicitor has advised that this report does not require his scrutiny as it does not recommend any actions.

4. Summary Position at the end of September 2008

This report shows the budget monitoring information for private sector Housing activities, but excludes both Housing Benefit budgets, which are now part of the Leader Portfolio, & also Council Housing budgets which are accounted for separately in the Housing Revenue Account. A summary comparing budget to projected spend for this financial year 2008/09 is shown overleaf. The position based on reports up to the end of September 2008 is that spending is predicted to exceed approved budgets by £40,000 by the end of 2008/09.

COMPARISON OF 2008/9 BUDGET TO PROJECTED YEAR END SPEND	NOTE 1		NOTE 2
	Net	Net	
	Budget	Projected	Projected
	for	spend for	over/ (under)
	2008/9	2008/9	spend
	£'000	£'000	£'000
Housing Strategy - General	275	260	(15)
Registered Social Landlords	65	65	0
Housing Advisory Service	278	278	0
Housing Enabling	76	76	0
Private Leased Properties to house the Homeless	(86)	(31)	55
Homeless Prevention	859	894	35
Relate	12	12	0
Community Alarms / Rent Insurance	(53)	(53)	0
Wardens Welfare (Sheltered Housing)	115	115	0
De Minimus Capital Receipts	(118)	(118)	0
Other Council Property	(24)	(24)	0
Supporting People	207	207	0
Neighbourhood Management	413	413	0
Urban Renewal	0	0	0
Renovation Loans	0	0	0
Works in Default / Properties in Disrepair	0	0	0
Housing Standards	642	597	(45)
Closing Orders	6	6	0
Houses in Multiple Occupation	(12)	(12)	0
Houses in Single Occupation	0	0	0
Home Check scheme	87	97	10
Sure Start	12	12	0
TOTAL	2,754	2,794	40
NOTE 1 - For the "Net Budget" & "Net Projected Spend" columns figures in brackets indicate net income budgets, those without brackets indicate net expenditure.			
NOTE 2 - For the final column "Projected over/(under) spend" figures in brackets indicate an improvement against budget, figures without brackets are worse off compared to budget.			

5. Major Variances

Private Leased Properties - £55,000

The main reasons are an increase in Repairs and Maintenance required and higher levels of vacancies.

Homeless Prevention - £35,000

The main reasons are a higher than budgeted number of homeless families having to be placed in Bed and Breakfast accommodation plus a lower level of Homelessness Subsidy from the Department of Work & Pensions.

6. Future actions

It should be noted the two Homelessness budgets "Private Leased Properties to house the Homeless" and "Homeless Prevention" are designated as "Windfall Budgets" because demand for these services cannot be controlled and also these budgets are large in relation to the overall Housing Cash Limit. Being designated as a "Windfall" budget means that any overspending that cannot be offset by other savings within this portfolio has to be met from central General Fund balances but also any savings are taken into balances.

The position based on reports at the end of September 2008 is that overall net expenditure is predicted to be £40,000 more than approved net budgets by the end of 2008/09. However that projection includes £90,000 overspending on the "Windfall" homelessness budgets described above, offset by savings of £50,000 on budgets within managers control. Budgets will continue to be rigorously managed throughout the remainder of the year and budget holders will continue to work to ensure that no unnecessary expenditure is incurred and that income is maximised. Every effort will be made to ensure that spending is brought back within Cash Limit by the year end, including if possible the effects of the "Windfall" budgets described above.

Roger Ching
Strategic Director and Section 151 Officer

Approval to the recommendation(s)

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the Cabinet Member on 23 September 2008

Signed:
The Cabinet Member for Housing

Background documents: The information on which this report has been based was drawn from many different sources, however details of some of the information used is held in budget files prepared by the Health, Housing & Social Care Finance Team. Please contact Peter Pennekett Health, Housing & Social Care Finance Manager if required.