

**Report to Housing and Regeneration Scrutiny Board**  
**2012-13 Budget Position - Period 6**

Division	Spend	£000 +	£000 -	£000 Sum	Comments
Statutory Housing	Staffing		(62)	(62)	Staff savings arising from vacant posts.
	Premises	48		48	Costs within temporary accommodation due to increased numbers
	Transport/travel	64		64	Essential car user allowance
	Income	15		15	Pressure on Housing Benefit income for Temporary Accommodation (£33k), Selective Licencing (£42k) and RSL advertising (£15k) income pressures offset by capitalisation and recharge of safeguarding cost to Childrens
	Other	69		69	Mainly safeguarding costs which is largely offset by income
		<b>196</b>	<b>(62)</b>	<b>134</b>	
Regeneration	Staffing		(121)	(121)	Staff savings arising from vacant posts.
	Income	66		66	Reduced income reflecting reduced staffing.
	Supplies	2		2	
	Other				
		<b>68</b>	<b>(121)</b>	<b>(53)</b>	
		<b>264</b>	<b>(183)</b>	<b>81</b>	

## **Housing Revenue Account (HRA) - Period 6**

### **1. Summary/Movement from previous period**

At the end of Period 6 the HRA is projecting a surplus of **£539k**.

### **2. Key Variances from Budget - Income**

Additional rental income of £965k is projected from dwelling rents. This is as a result of void levels remaining at 1.3% against a budget of 1.5%, and the number of RTB sales projected to be lower than budgeted. The financial impact of lower voids will be paid to the ALMOs in line with the current voids incentive scheme.

There is a projected shortfall in garage and miscellaneous property rents (£18k) which is offset by additional income of £50k from shops.

Income from Heat Lease charges is projected to be £290k higher than budget following a full review of the scheme. In addition, it is projected that £159k additional income will be received from Telecoms as a result of back-dated rent reviews.

As the LLBH&H PFI is not anticipated to start on site until March 2013 it is projected that the PFI grant due to have been received in 2012/13 will be reduced by £14,432k. The impact of this will be offset by a reduction in the Unitary Charge payable to the Contractor (£5,077k) and the contribution to the Project's Sinking Fund (£10,104k). In addition the in year contribution from AVH and WNWHL to the Project will be reduced by £1,041k.

The ALMOs have now finalised and agreed their IT SLA charge - resulting in an unbudgeted additional £226k income to the HRA. This is as a result of additional IT works requested and an increase in the number of users.

### **3. Key Variances from Budget - Expenditure**

Savings of £250k are projected on employee costs primarily due to the budgeted contingency for pay awards not being required in 2012/13.

Recharges are projected to overspend by £327k due to unbudgeted recharges from the Housing General Fund for the Housing Options Team, Tenancy Fraud, Safeguarding, Welfare Reform Scheme and Commissioning.

It is projected that £589k will be paid over to the ALMOs as incentive payments in respect of voids. However, the decision to end the penalty/incentive scheme in relation to the Strategic Landlord ALMO Performance Framework will generate a saving of £172k against budget.

## **CAPITAL**

### **1) ALMOs and BITMO**

The ALMOs and BITMOs programmes at period 6 are reporting spend and commitments of £17.2m against available agreed resources of £56.7m.

AVH capital programme spend and commitments at period 6 are £3.3m against agreed available resources of £14.2m. AVH are currently working up programmes to allocate the £2.9m of resources which remained unallocated at February 2012 capital programme.

BITMO capital programme spend and commitments at period 6 are £400k against available resources of £2.2m. BITMO are currently working up schemes to allocate the £338k which remained unallocated at February 2012 capital programme.

ENEHL capital programme spend and commitments at period 6 are £5.8m against available resources of £16.5m. ENEHL are currently working up programmes to allocate the £2.2m of self financing which remained unallocated at February 2012 capital programme.

WNWHL capital programme spend and commitments at period 6 are £7.7m against agreed available resources of £23.8m. WNWHL are currently working up programmes to allocate the £3m of self financing which remained unallocated at February 2012 capital programme.

### **2) Other Strategic Landlord (HRA)**

At period 6 Strategic Landlord actual spend is £50k. Resources available in 2012/13 are £4.9m. Of the resources available £1.4m remains unallocated and will be slipped to 2013/14 together with a further amount from the affordable housing programme £2.64m which will be reported at period 7.

### **3) E&N - Housing General Fund**

At period 6 Housing Services spend is £3.2m against a reduced annual programme of £8.6m. Slippage of £2.5m has been actioned in 2012/13 to 2013/14.

The Disabled Facilities Grant scheme has spend to date of £3.2m against a budgeted £6.67m. Adaptations has a provision of £167k in 2012/13 to accommodate the Care and Repair handyman grant. The projected spend at period 7 remains at £6.67m.

The free home insulation scheme is underway. Spend as at period 6 is £149k. Proposals will be coming forward from the energy unit for the unallocated £462k. There has been a much higher percentage of virgin loft insulation (which is free under this contract) and cavity wall insulation (which we receive a £30 income for each installation) than anticipated so maximum in year spend will be £350k allowing a further £472k to slip to 13/14.

### **4) City Development - Regeneration Services**

At period 6 actual spend is £284k against available resources of £2.4m.

In August the Director of Resources approved the promotion of £200k from contingencies to provide a pot of £700k for T&DC 2. This will enable us to work up programmes on 3 town and district centres one in each area wedge based on needs, opportunities and synergy with existing regeneration investment. A timeline has been suggested where criteria, area committees and members consultations and final proposals are circulated by Jan 2013.

At period 6 the two Townscape Heritage Initiative schemes in Chapeltown and Armley have spend to date of £218k. A further £130k has been signed off which will upgrade properties in Town Street and Branch Road.

The EASEL private properties acquisition and demolition scheme has £682k remaining but no spend in 2012/13. Latest programmed spend detail has allowed £0.4m of LCC resource to be slipped into 2013/14.