

REGENERATION AND HOUSING DIRECTORATE

1. Directorate Overview

- 1.1 There is a financial pressure within the Directorate overall.
- 1.2 For the Directorate as a whole 10(83%) performance measures are on target with 2 (17%) off target. There is 1 red risk and 18 amber risks within the Directorate.

2. Directorate Financial Performance

- 2.1 The Directorate is currently estimated to have a projected outturn position of £(2.591) million against a budget of £(2.976) million which is an adverse variance of £0.385 million.

Partnerships Team

- 2.2 The Partnerships Team is projecting no variance to budget at this stage.

Planning and Regulatory

- 2.3 There has been exceptional staff turnover this year which will mean additional costs in the short term estimated at £0.200 million. Officers are currently working to rectify the problems and ensure that the service is placed in a more sustainable position going forward. The additional costs will be funded from Corporate contingencies.

Housing and Property

- 2.4 Homechoice payments are expected to exceed the budget by £0.185 million. This will be managed by drawing down funds from the Homelessness Reserve.

Housing Revenue Account

- 2.5 The summarised HRA position as at 30th June 2015 is shown in Appendix F3. The HRA is forecasting a nil variance at this stage. There are, however, some matters of note considered below.

Income

- 2.6 Dwelling rents – the income is over budget to date due to some affordable housing properties coming on line mitigating the effect of right to buys. Whether this additional income results in a year end favourable position depends very much on future right to buy sales.

Expenditure

- 2.7 General Management is forecasting a nil variance. Additional expenditure of £0.039 million has been incurred relating to invoices received from the Department for Work and Pensions (DWP) which will be financed from the Direct Payments Project Arrears earmarked reserve that was set up for this purpose. These payments represent the collection of rent arrears that originally arose from the Council being involved in the DWP Direct Payments pilot project several years ago.

HRA Rent Arrears

- 2.8 HRA arrears, adjusted to exclude debt that is subject to direct payments and excluding rechargeable repairs, totalled £1.200 million at the end of June 2015, an increase of £0.140 million on the previous June's position. Former tenant arrears stood at £0.373 million as at the end of June 2015, which is £0.027 million higher than that for a year previously. Current tenant arrears stood at £0.827 million as at the end of June 2015, which is £0.113 million higher than that for a year previously.

3. Directorate Performance –Exceptions

Planning and Regulatory

- 3.1 Processing minor planning applications – performance to June 2015 was 50% of applications meeting their processing target, compared to a target of 70%. We have cleared many out of time applications under the 'blitz initiative' and performance should start increasing towards target levels again
- 3.2 Processing other planning applications – performance to June 2015 was 67% of applications meeting their processing target, compared to a target of 82%. As with minor planning applications, we have cleared many out of time applications under the 'blitz initiative' and performance should start increasing towards target levels again

4. Risk Performance- Exceptions

- 4.1 There is one red risk identified in Housing & Property relating to the HRA Business Plan. There are also 18 amber risks, the amber risks are listed below. All these risks are currently being managed as part of day to day business activity and are not currently expected to rise to a level of red risk

Planning and Regulatory

- 4.3 Nine amber risks have been identified in this area relating to various service issues: service failure on ICT, not embedding HMO licensing, managing workloads, meeting income targets, public health protection, new partnership challenges, opposition to emerging statutory plans, external delays to council projects and changes to government legislation.

Housing and Property

- 4.4 Nine amber risks have been identified in this area relating to various service issues: staff recruitment and retention, increased costs on homelessness, fluctuating property market conditions, insurance claim costs, delivery failure of adult homelessness, investment portfolio strategy performance report not developed, delivery failure of affordable housing, ICT provisions and budget overruns.