

Finance and Performance Scrutiny Sub-Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 14 June 2022
Present	Councillors Gary Fuller, Connor McConville (Chairman) and Rebecca Shoob
Apologies for Absence	Councillor Patricia Rolfe
Officers Present:	Gavin Edwards (Performance and Improvement Specialist), Jonathan Hicks (Performance Specialist (Business Insight Manager)), Cheryl Ireland (Chief Financial Services Officer), Ellen Joyce (Democratic Services Trainee), Leanne Knight (Finance Specialist), Jonathan Smith (Senior Accountant), Charlotte Spendley (Director of Corporate Services), Lee Walker (Capital and Treasury Senior Specialist) and Jemma West (Committee Service Specialist)

Others Present:

4. **Housing Revenue Account Revenue and Capital Financial Outturn 2021/22**

The report summarised the 2021/22 provisional outturn position (subject to audit) for the HRA revenue expenditure and HRA capital programme compared to both the latest approved budget and quarter 4 projections.

The Sub-Committee Members commented on various issues, and made points including the following:

- The Highview scheme was welcomed.
- Had all of the works identified in the stock survey been carried out, and if not, what was the impact of that?
- Were there provisions going forward for the impact of cost of living rises, and potential rent arrears.
- Were there any indications of any trends for bad debt so far in this financial year?

- The decarbonisation Capital Grant Funding, set out in paragraph 2.1.3, stated that it had been reversed out so that grant funding can be applied in future years when expenditure is incurred. When would this be spent?
- In terms of the fire protection works, the variance from the original budget and Q4 projections was the same. Was it always intended that those works would be carried out in the last financial year?
- The outturns of £1.2 million had been profiled for £800k in the current budget. Is this perhaps a little understated?
- The environmental works were down on budget, but the budget had been increased for the new financial year. Was there anything specific in the pipeline to address this?

The Director of Corporate Services and Chief Financial Services Officer responded to some of the queries raised, and made points including the following:

- The report was a backwards look, and the stock survey had not concluded until part way through the year. Some work had been concluded, but not all. This had been taking into account for 22/23, but could take time.
- In terms of the cost of living impact, there was a provision for non-collection of rent and bad debts in 22/23, and Cabinet were considering a range of measures to support people with this.
- Monitoring of quarter 1 had not yet started, but the bad debts provision would continue to be monitored.
- The decarbonisation Capital Grant Funding had been earmarked and would be spent in 2022/23.
- The fire protection works were not planned, and were reacted to as a result of health and safety findings, so there was a variance. This would have been looked at again when setting the budget for 22/23.
- With regard to the environmental works, an update would be provided after the meeting.

The Sub-Committee Members noted the report.

(Voting figures: 3 for, 0 against, 0 abstentions).

Minute Item 4

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At Minute No 4, a Member queried the Environmental works budget. A response has now been provided by officers, and is set out below:

The 2022/23 budget of £29.5k was set based on information from the Stock Condition Survey combining specific works identified and more general observations.

The base budget of £25k will be utilised on the following types of works plus any agreed requests from the Tenant Board:

- Garages & Stores
- Fencing
- Boundary Walls
- Gates
- Paths & Patios
- Communal External Lighting

The additional £4.5k in 2022/23 will be spent on garage doors and external bin stores identified at 4 specific properties.

To date £10.8k has been spent so the team are confident that this year's budget will be fully utilised.

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