

# Appendix 8 – 2023/24 Q3 HOUSING AND FINANCE

**Cabinet Member:** Councillor Ian Stephens

**Portfolio Responsibilities:**

- Housing Enabling and Delivery
- Homelessness
- Rough Sleeping
- Housing Related Support
- Housing Renewal and Enforcement
- Finance
- Audit
- Treasury Management
- Commercial Property Investments
- Leasing
- Business Intelligence
- Property and Asset Management

## Performance Measures

### Percentage of predicted revenue outturn compared to budget

**Aim:** Revenue Outturn is below 100 percent.

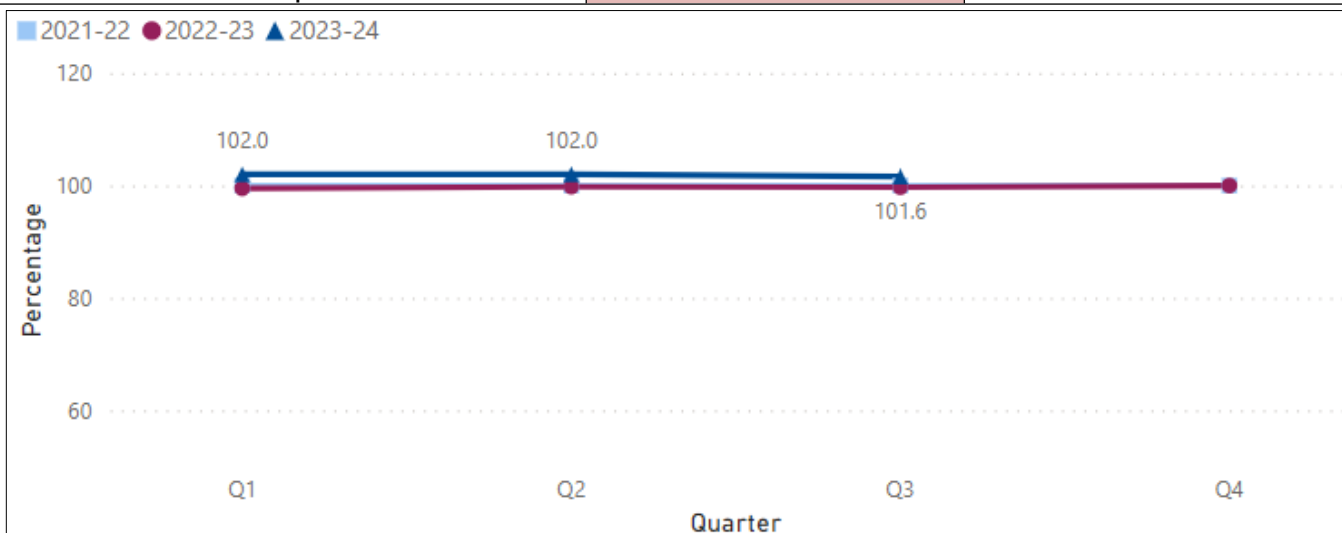
**UN Sustainable Development Goal:** 8

**Most Recent Status:** December 2023

**RED**

**Previous Status:** September 2023

**RED**



- The current revenue budget is £178.7m and the forecast outturn is £184.1m, resulting in a forecast overspend before reliance on transfers from contingencies of £5.4m. After the planned use of contingencies, the forecast overspend to be managed is £2.9m. The key pressure areas relate to Adults and Children's Social Care.

### Value of cumulative capital expenditure compared to profiled budget

**Aim:** Capital expenditure is within or under budget.

**UN Sustainable Development Goal:** 8

**Most Recent Status:** December 2023

**GREEN**

**Previous Status:** September 2023

**GREEN**



- Gap in data due to change in quarterly reporting.
- As at quarter 3 the total capital budget for 2023-24 is £39.0m.
- The forecast expenditure is £35.0m with slippage of some £4.0m, therefore the programme remains full funded.

### Capital Expenditure and Financing Requirement

#### Capital Expenditure

Quarter	General Fund Prior Year (£m)	Capital Investment Prior Year (£m)	General Fund Current Forecast (£m)	Capital Investment Current Forecast (£m)	General Fund Current +1 Forecast (£m)	Capital Investments Current +1 Forecast (£m)	General Fund Current +2 Forecast (£m)	Capital Investments Current +2 Forecast (£m)
Q3	28.90	0.00	39.00	0.00	63.10	0.00	20.40	0.00

- Main 2023-24 schemes include
  - Schools' capital maintenance (£3.8m)
  - Transforming Cities Fund (£4.9m)
  - Ventnor coastal works (£3.5m)
  - East Cowes levelling up fund (£2.5m)
  - ICT rolling replacement (£1.1m)
- Some slippages are likely in outturn position at end of quarter 4.

#### Capital Financing Requirement (CFR)

Quarter	General Fund Prior Year (£m)	Capital Investment Prior Year (£m)	Total Prior CFR year (£m)	General Fund Current Forecast (£m)	Capital Investment Current Forecast (£m)	Total CFR Current (£m)	General Fund Current +1 Forecast (£m)	Capital Investments Current +1 Forecast (£m)	Total CFR Current +1 (£m)	Capital Investments Current +2 Forecast (£m)	General Fund Current +2 Forecast (£m)	Total CFR Current +2 (£m)
Q3	394.70	0.00	394.70	389.60	0.00	389.60	415.50	0.00	415.50	0.00	420.50	420.50

- The expected CFR is in line with the 2024-25 budget planning.
- Initial estimate of £7.9m in relation to International Financial Reporting Standards changes in accounting for leases

### Debt, Authorised Limit and Operational Boundary

#### Debt, the Authorised Limit and the Operational Boundary

Quarter	Borrowing Max Debt Current (£m)	PFI Max Debt Current (£m)	Total Current (£m)	Borrowing Actual Debt at Quarter End (£m)	PFI Actual Debt at Quarter End (£m)	Total Actual Debt at Quarter End (£m)	Borrowing Authorised Limit Current (£m)	PFI Authorised Limit Current (£m)	Total Authorised Limit Current (£m)	Operational Boundary borrowing (£m)	Operational Boundary PFI (£m)	Total Debt Operational Boundary (£m)
Q3	200.70	92.60	293.30	182.10	92.60	274.70	410.00	130.00	540.00	324.00	105.00	429.00

- All boundaries have been complied with during quarter 3

#### Gross Debt (including Private Finance Investment)

Quarter	Debt (incl. PFI & Leases) Prior Year (£m)	Debt (incl. PFI & Leases) Current (£m)	Debt (incl. PFI & Leases) Current +1 (£m)	Debt (incl. PFI & Leases) Current +2 (£m)	As at Quarter end (£m)
Q3	290.80	278.10	316.90	365.80	274.70

- The quarter 3 end is based on the Autumn 2023 cashflow update.

### Income from Commercial and Service Investments, and Financing Costs to Net Revenue

#### Net income from Commercial and Service Investments to Net Revenue

Quarter	Total Net income Prior year (£m)	Proportion of Net Rev Stream prior year	Total Net income Current (£m)	Proportion of Net Rev Stream Current	Total Net income Current +2 (£m)	Proportion of Net Rev Stream Current +1	Total Net income Current+1 (£m)	Proportion of Net Rev Stream Current +2
Q3	1.02	0.63%	1.09	0.61%	1.37	0.67%	1.27	0.72%

#### Proportion of Financing Costs to Net Revenue Stream

Quarter	Financing Costs prior year (£m)	Proportion of Net Rev Stream prior year	Financing Costs Current (£m)	Proportion of Net Rev Stream Current	Financing Costs Current +1 (£m)	Proportion of Net Rev Stream Current +1	Financing Costs Current +2 (£m)	Proportion of Net Rev Stream Current +2
Q3	16.00	9.93%	15.50	8.67%	21.30	11.32%	22.30	11.65%

### Average number of people on housing register per month in each of the bands

**Aim:** Reduction in the number of people on each band of the housing register at month end

**UN Sustainable Development Goal:** 11

**Most Recent Status:** December 2023 **RED**

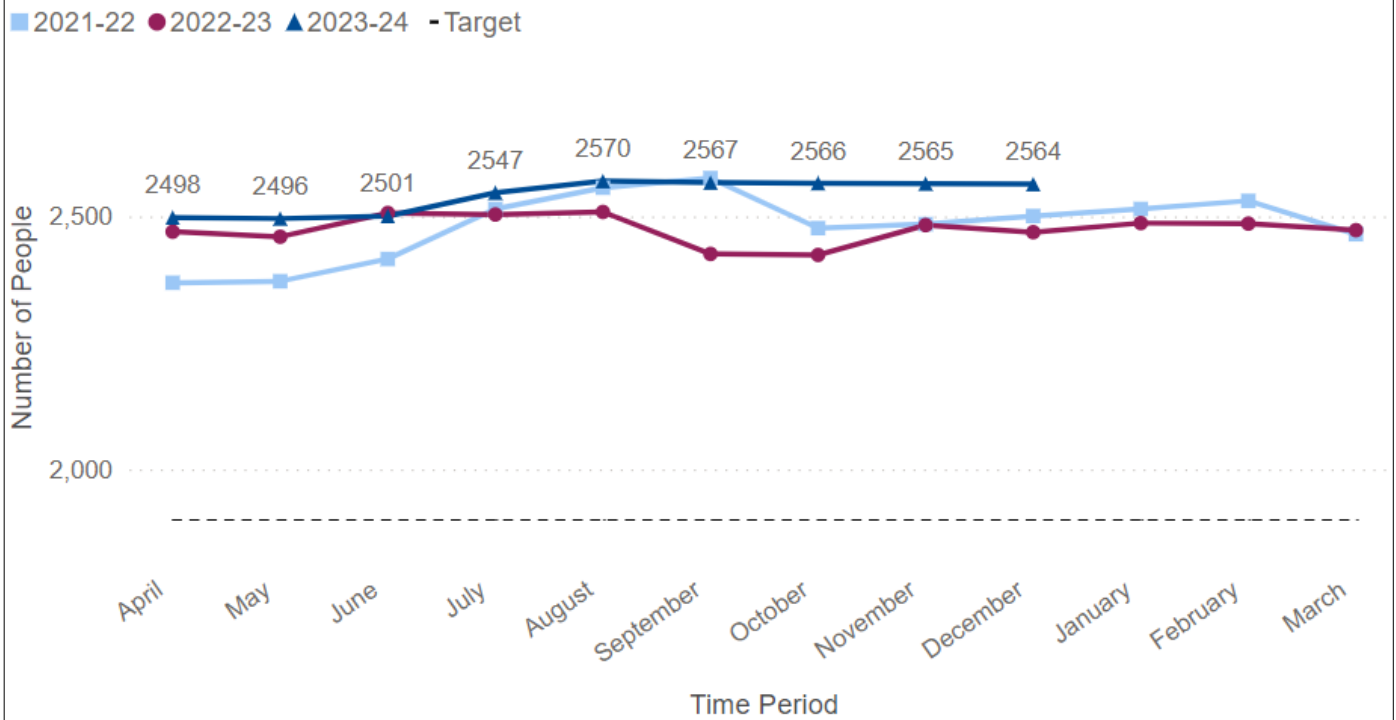
**Previous Status:** September 2023 **RED**

Applications are assessed and placed in one of five bands according to their housing needs. Within each band, applications will be placed in priority date order, with the application with the oldest date having the highest priority. The date that is normally used is the date the housing need is assessed. Where circumstances change and a move between bandings occurs, the priority date will be changed to the date when the housing need was reassessed.

Band	Criteria
Band 1	<ul style="list-style-type: none"> <li>Urgent medical/welfare issues.</li> <li>Multiples of band 2.</li> </ul>
Band 2	<ul style="list-style-type: none"> <li>Severe overcrowding (at least 2 bedrooms).</li> <li>Severe under occupation (social housing tenants' resident on the Island).</li> <li>Severe medical/welfare issues.</li> <li>Applicants identified as being ready for 'move-on' accommodation.</li> <li>Social housing tenants on the Island vacating disabled adapted accommodation.</li> </ul>
Band 3	<ul style="list-style-type: none"> <li>Multiples of band 4.</li> </ul>
Band 4	<ul style="list-style-type: none"> <li>Homeless applicants.</li> <li>Significant medical/welfare issues.</li> <li>Hazardous property condition as defined by the Housing Renewal team.</li> <li>Lacking or sharing amenities.</li> <li>Households within insecure accommodation.</li> </ul>

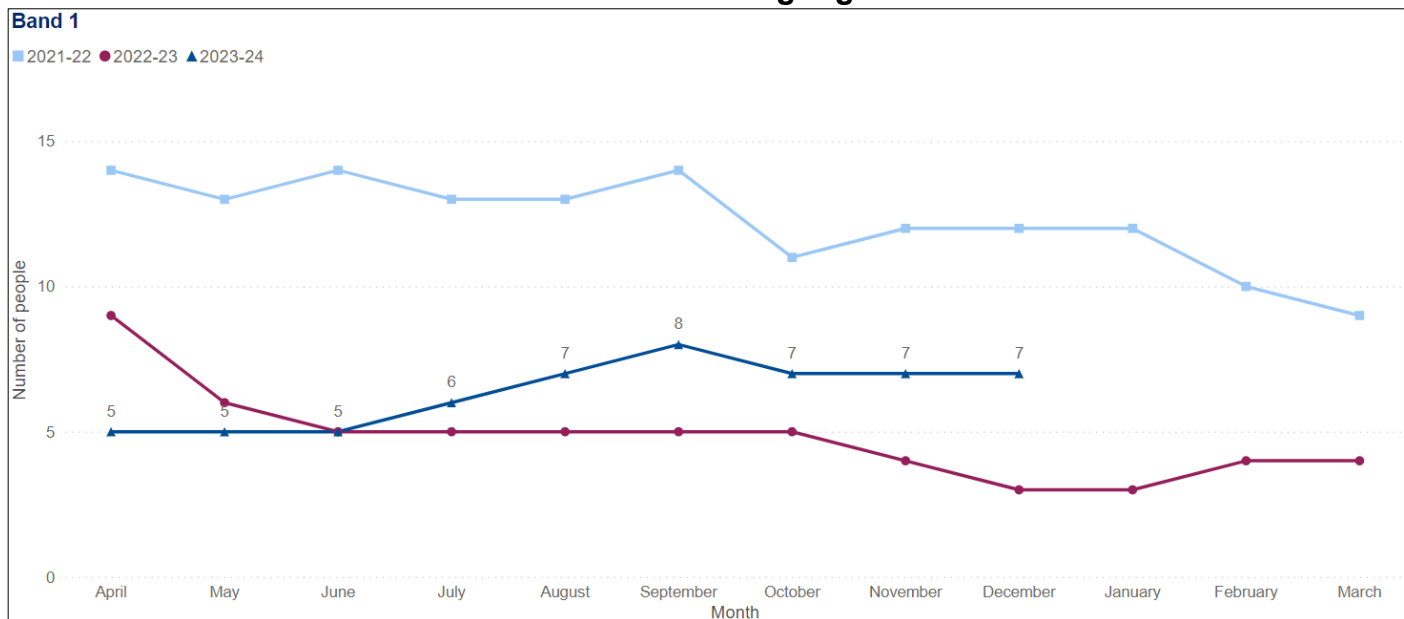
	<ul style="list-style-type: none"> <li>• Minor overcrowding (1 bedroom).</li> <li>• Minor under occupation (private tenants or owner occupier’s resident on the Island).</li> </ul>
Band 5	<ul style="list-style-type: none"> <li>• Households with secure accommodation and no other housing need.</li> </ul>

**Average number of people on the housing register**

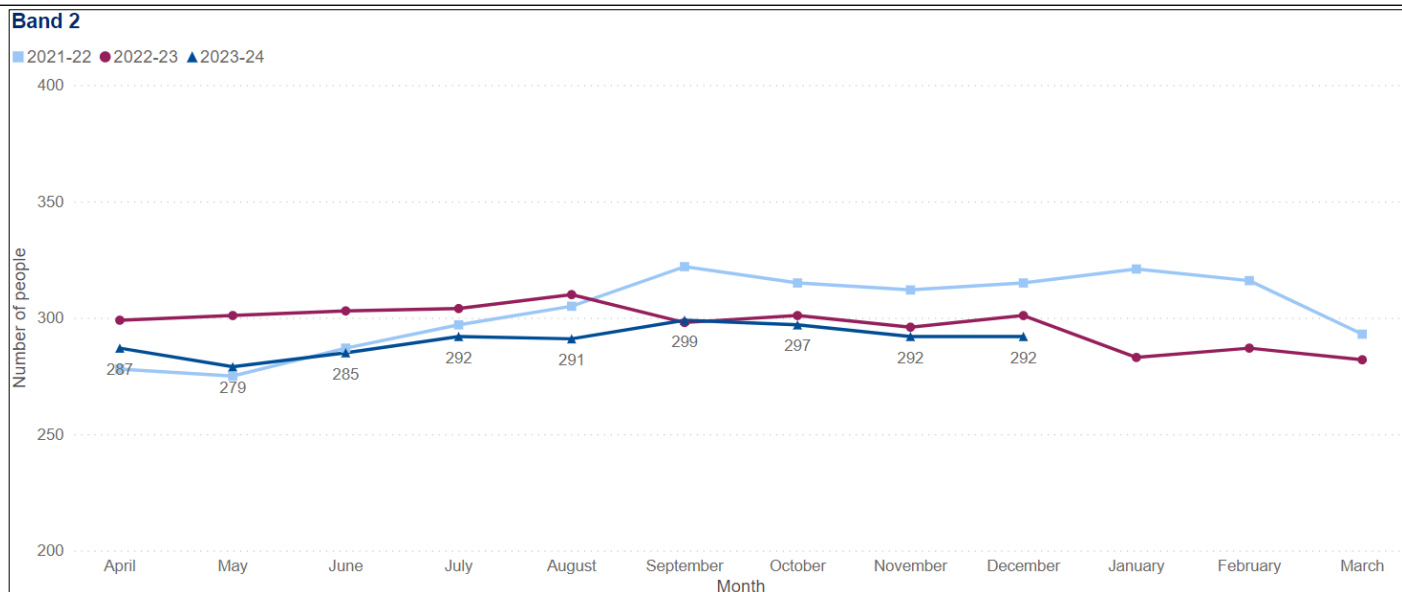


- The number of people on the housing register remained consistent over Quarter 3.
- At the end of Quarter 3, the number of the housing register remained higher than the previous year (2564 in 2023-24 compared to 2469 in 2022-23)

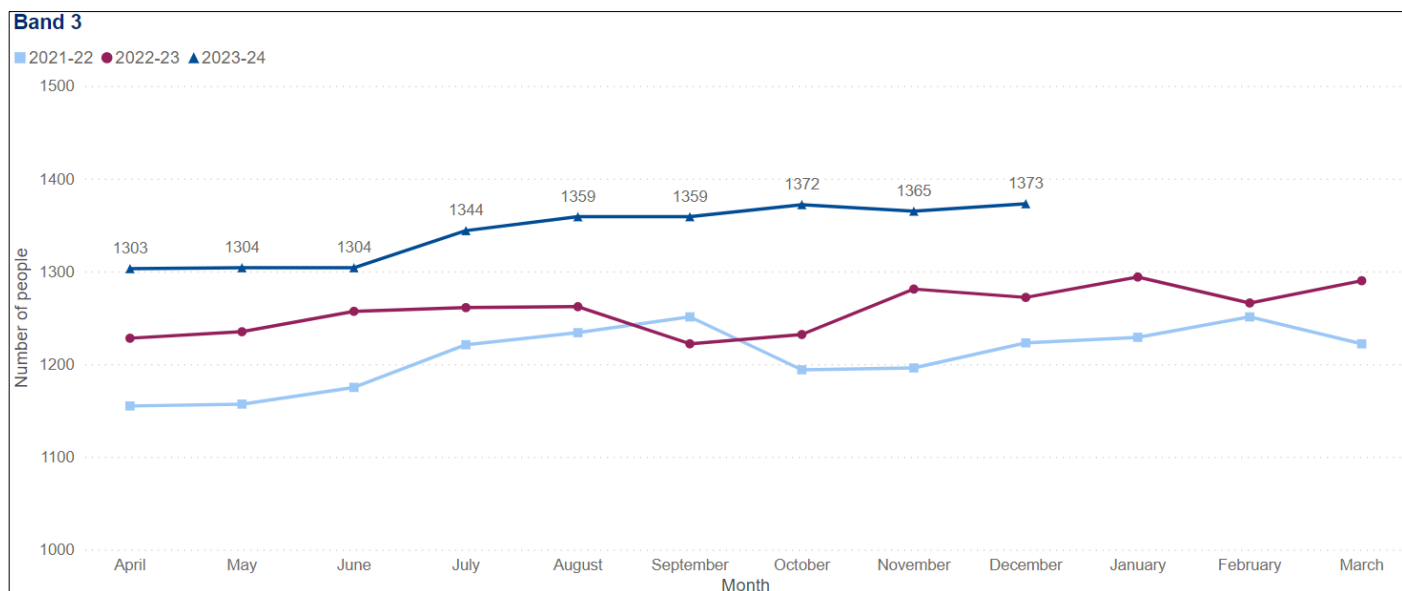
**Number of households on each band of the housing register:**



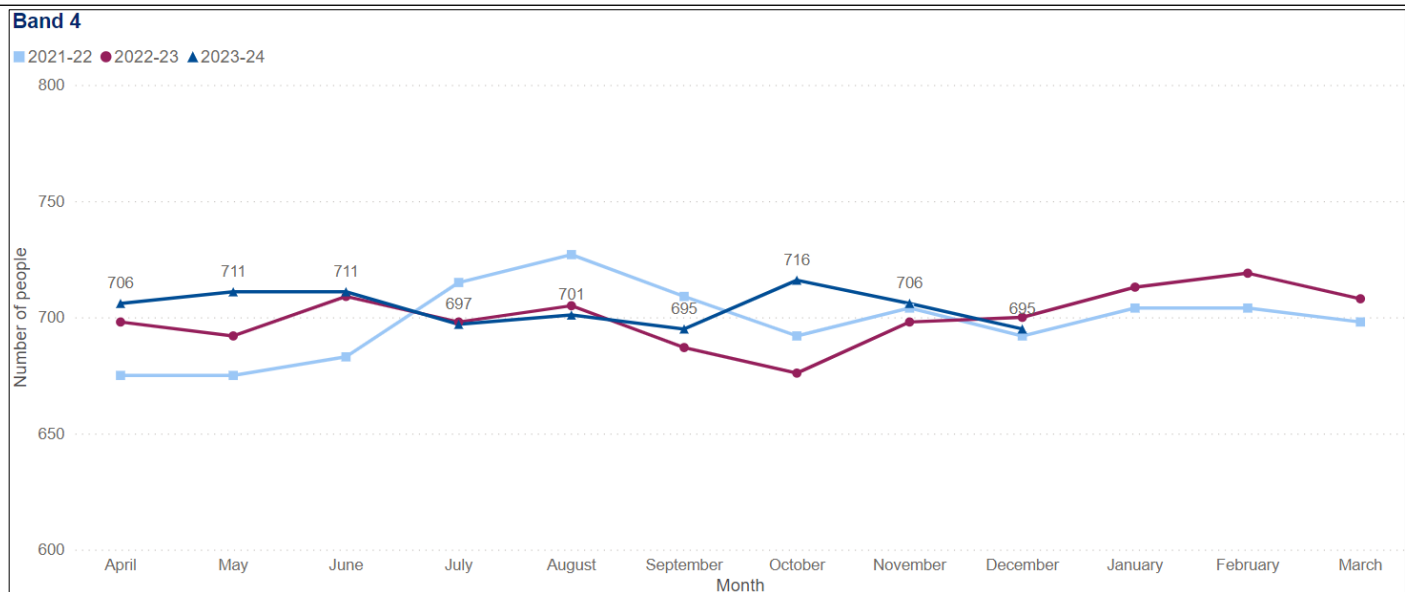
- The number of households remained consistent, ending Quarter 3 with 7 households, this is 4 more than at the end of the same period in 2022-23.



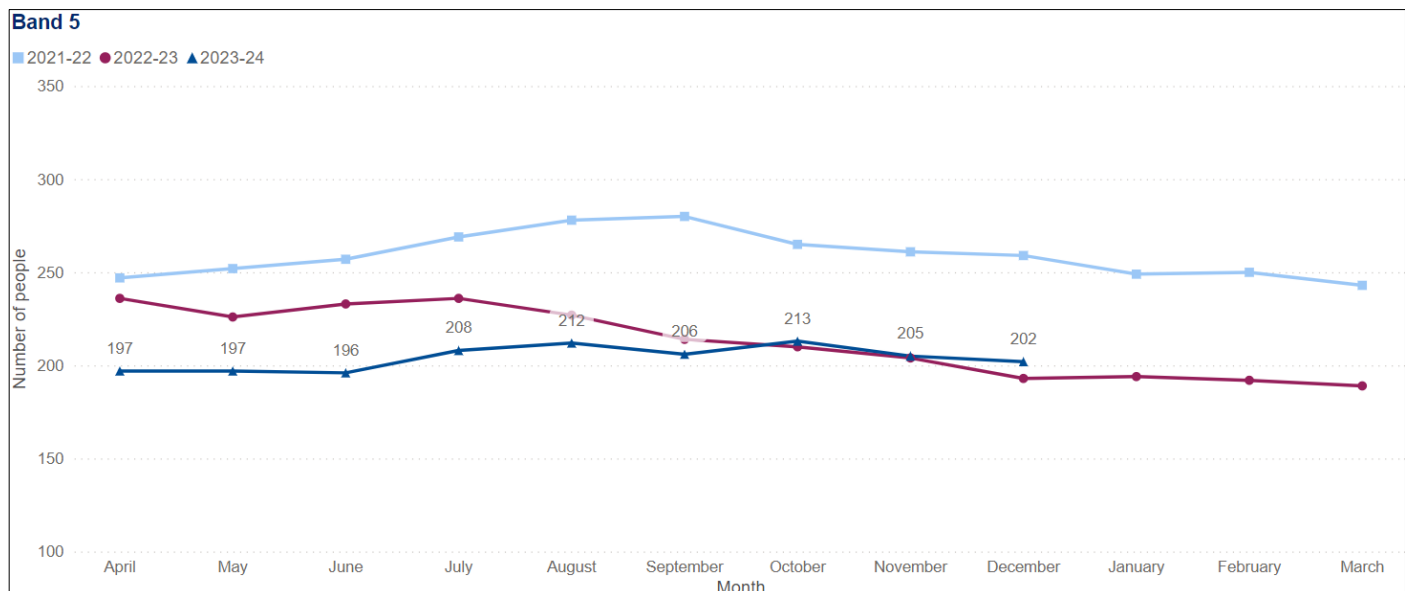
- The number of households has dropped slightly, with 292 on band 2 at the end of the quarter. This is slightly lower than the end of the same period in 2022-23 (301)



- The number of households has increased during Quarter 3 but remained consistent between October and December. The number of households on band 3 is higher than at the end of the same period in 2022-23 (1373 in 2023-24 compared to 1272 in 2022-23)



- The number of households on band 4 fluctuated over quarter 3, but returned to the same level as at the end of Quarter 2 (695)



- The number of households dropped slightly during quarter 3, but totals are higher than last year.

**Number of households prevented from becoming homeless**

**Aim:** Monitoring Measure only.

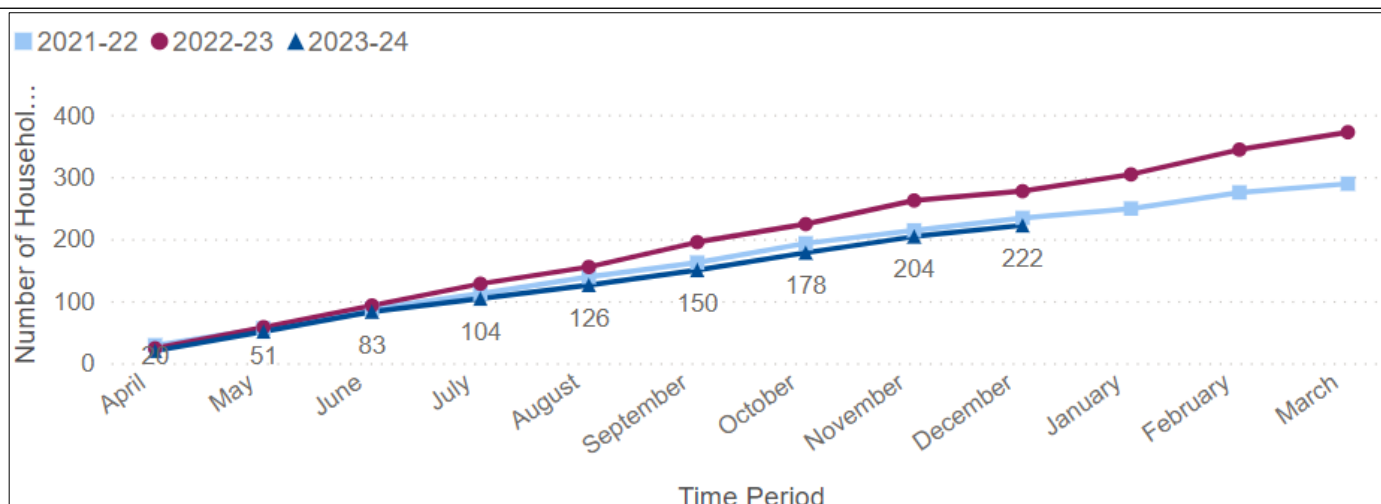
**UN Sustainable Development Goal:** 1

**Most Recent Status:** December 2023

**Monitoring Measure**

**Previous Status:** September 2023

**Monitoring Measure**



- There was an increase of 18 from 204 in November to 222 in December.
- An upwards trend in the number of households prevented from becoming homeless continues.

**Number of households in temporary accommodation**

**Aim:** Monitoring Measure only.

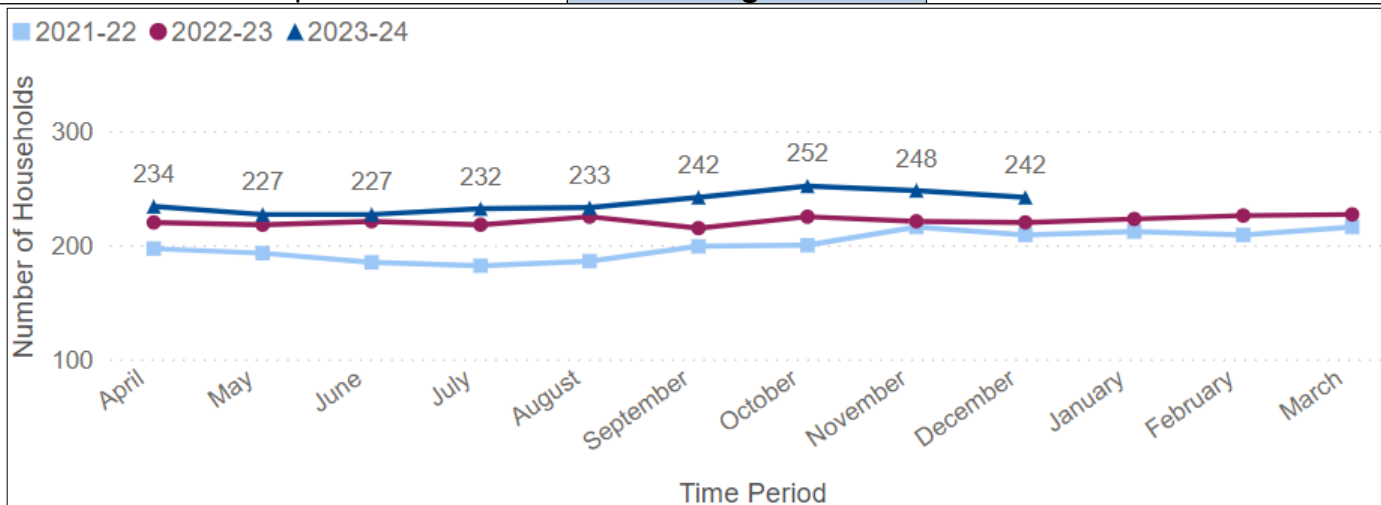
**UN Sustainable Development Goal:** 1

**Most Recent Status:** December 2023

**Monitoring Measure**

**Previous Status:** September 2023

**Monitoring Measure**



- A slight decrease over Quarter 3, with a drop of 10 from October (252) to December (242).

**Number of households who are homeless, in temporary accommodation or emergency accommodation in each housing band and number of bedrooms required**

**Aim:** Monitoring Measure only.

**UN Sustainable Development Goal:** 11

**Most Recent Status:** December 2023

**Monitoring Measure**

**Previous Status:** September 2023

**Monitoring Measure**

Number of households who are homeless, in temporary/emergency accommodation in each band.

Year	Band 1	Band 2	Band 3	Band 4	Band 5	Total
<b>2023-24</b>						
September	0	16	193	1	0	210
December	0	18	195	3	0	216

Number of households who are homeless, in temporary/emergency accommodation by number of bedrooms required.

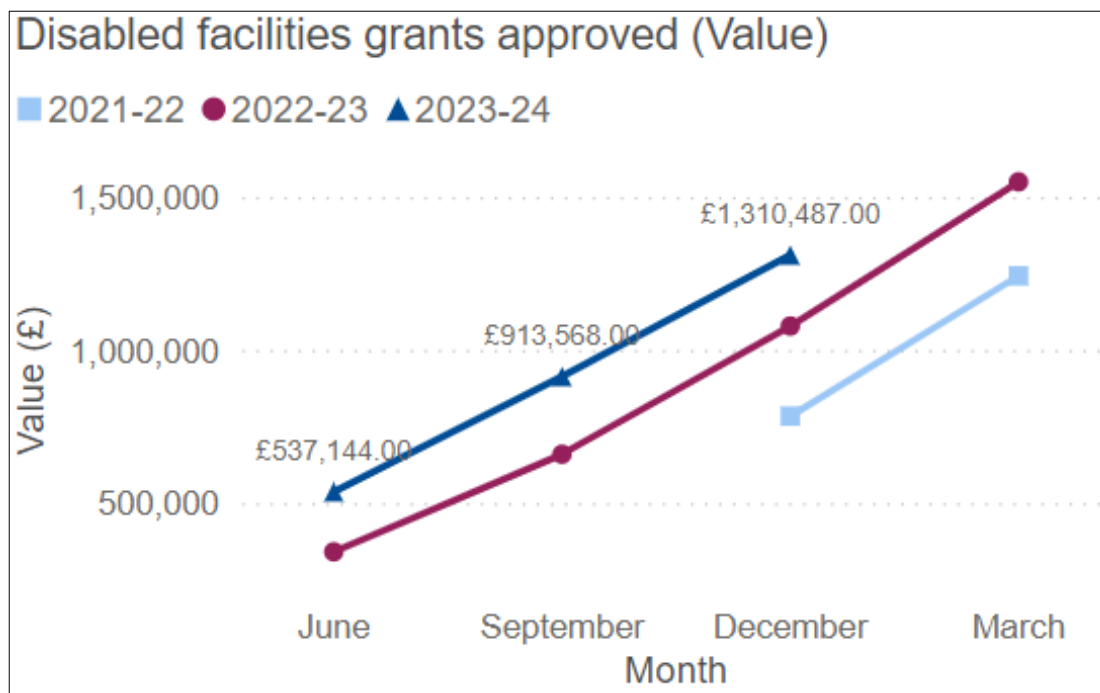
Year	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	6 Bed	Total
<b>2023-24</b>							
September	29	89	69	20	2	1	210
December	31	93	68	20	3	1	216

**Number & value of Disabled Facility Grants approved**

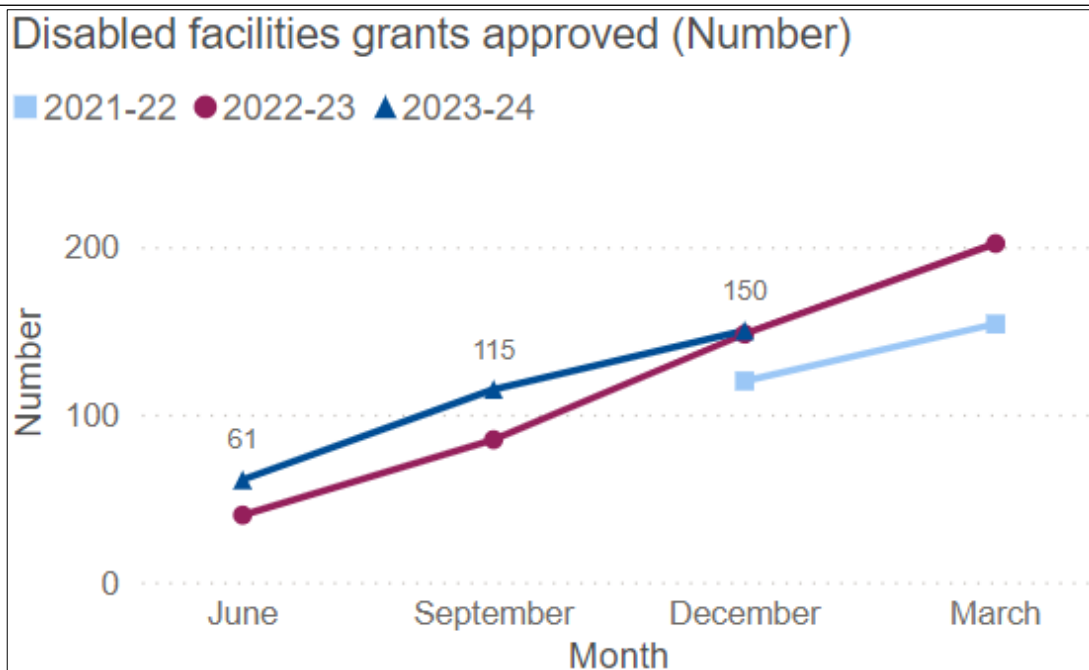
**Aim:** Monitoring Measure only.

**UN Sustainable Development Goal:** 11

<b>Most Recent Status:</b> December 2023	<b>Monitoring Measure</b>
<b>Previous Status:</b> September 2023	<b>Monitoring Measure</b>







- Coupled with the carried forward approved amount from 2022-23 the current live approved value of cases is £2,225,491.
- The budget is £1.8m.

### Service Updates - Key Aspirations and Ongoing Business

#### The following activity supports UN Sustainable Development Goal 1:

Thompson house demolition is complete and discussion on the disposal to registered provider is in progress.

The options agreement for Berry Hill has been drafted and is with legal services.

The Weston school site has been marketed and there are ongoing discussions with successful bidder for the purchase.

A bid for funding for three further sites was successful and discussions are ongoing with registered providers on the purchase of these.

The Empty Property Strategy was approved by Cabinet in July 2023 and works to address long term empty properties is underway.

A pipeline list of sites was reported to the Housing Members Board in December 2023 and work is ongoing to finalise these by Property Services.

## Strategic Risks

<b>Lack of financial resource and the ability to deliver the council’s in-year budget strategy.</b>		
<b>Assigned to: Director of Finance and Section 151 Officer</b>		
<b>Inherent score</b>	<b>Target score</b>	<b>Current score (November 23)</b>
<b>16 VERY HIGH</b>	<b>5 LOW</b>	<b>9 MEDIUM</b>
<b>Previous scores</b>		
<b>September 23</b>	<b>June 23</b>	<b>March 23</b>
<b>9 MEDIUM</b>	<b>9 MEDIUM</b>	<b>5 LOW</b>
<b>No change in risk score</b>		

<b>Lack of financial resource and the ability to deliver the council’s medium-term financial strategy.</b>		
<b>Assigned to: Director of Finance and Section 151 Officer</b>		
<b>Inherent score</b>	<b>Target score</b>	<b>Current score (November 23)</b>
<b>16 VERY HIGH</b>	<b>9 MEDIUM</b>	<b>9 MEDIUM</b>
<b>Previous scores</b>		
<b>September 23</b>	<b>June 23</b>	<b>March 23</b>
<b>9 MEDIUM</b>	<b>9 MEDIUM</b>	<b>9 MEDIUM</b>
<b>Risk score is consistent</b>		