



ORKNEY
ISLANDS COUNCIL

Item: 17

Education, Leisure and Housing Committee: 10 September 2025.

Housing Revenue Account.

Revenue Repairs and Maintenance Programmes.

Expenditure Monitoring.

Report by Head of Finance.

1. Overview

- 1.1. To demonstrate a focus on monitoring the Repairs and Maintenance Programme which includes pre-planned work around the Scottish Housing Quality Standard, Energy Efficiency Standard for Social Housing, heating upgrades, servicing and other upgrades and replacements, reactive repairs that cover properties handed back by tenants, as well as repairs that are reported throughout the year which are agreed by the relevant service Committee or Sub-committee.
- 1.2. Delivery of these planned programmes of work are thereafter monitored throughout the financial year by the relevant service Committee or Sub-committee.
- 1.3. The annual programme of revenue repairs and maintenance for the Housing Revenue Account for financial year 2025/26 was approved by the Education, Leisure and Housing Committee on 2 April 2025.
- 1.4. The table below provides an overview of the expenditure incurred for the period 1 April to 30 June 2025:

Description.	Actual Expenditure at 30 June 2025.	Approved Budget 2025/26.	Probable Out-turn 2025/26.	Overspend/ (Underspend).
	£000	£000	£000	£000
Repairs and Maintenance Programme	448.4	2,104.0	1,990.2	(113.8)
Total	448.4	2,104.0	1,990.2	(113.8)

- 1.5. A detailed breakdown of the approved programme of work for financial year 2025/26, including individual project updates, is attached at Appendix 1.

2. Recommendations

2.1. It is recommended that members of the Committee:

- i Note the summary position of expenditure incurred, as at 30 June 2025, against the approved Housing Revenue Account revenue repairs and maintenance programme for 2025/26, as detailed in section 1.4 of this report.
- ii Note the detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to this report.

For Further Information please contact:

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Implications of Report

1. **Financial** The Financial Regulations state that Corporate Directors can incur expenditure within approved revenue and capital budgets. Such expenditure must be in accordance with the Council's policies and objectives and subject to compliance with the Financial Regulations.
2. **Legal** Regular financial monitoring and reporting helps the Council meet its statutory obligation to secure best value.
3. **Corporate Governance** In terms of the Scheme of Administration, monitoring, on a quarterly basis, the levels of expenditure incurred against the approved annual programme for improving and maintaining the existing Council housing stock, held on the Housing Revenue Account, funded through the approved capital programme and revenue budgets, is referred to the Education, Leisure and Housing Committee.
4. **Human Resources** N/A.
5. **Equalities** An Equality Impact Assessment is not required for financial monitoring.
6. **Island Communities Impact** An Island Communities Impact Assessment is not required for financial monitoring.
7. **Links to Council Plan** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
 - ☐ Growing our economy.
 - ☐ Strengthening our communities.
 - ☒ Developing our Infrastructure.

☒ Transforming our Council.

- 8. Links to Local Outcomes Improvement Plan** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
- ☐ Cost of Living.
 - ☐ Sustainable Development.
 - ☐ Local Equality.
 - ☐ Improving Population Health.
- 9. Environmental and Climate Risk** Where resources allow, improvement works can include ‘greener’ solutions.
- 10. Risk** Improvement of existing assets can help reduce risks associated with these assets.
- 11. Procurement** Any contractual arrangements require to comply with the Financial Regulations and Contract Standing Orders.
- 12. Health and Safety** Well-maintained assets will assist the Council in complying with relevant Health and Safety requirements for both staff and the public.
- 13. Property and Assets** Included throughout the report and detailed in the Appendix.
- 14. Information Technology** N/A.
- 15. Cost of Living** N/A.

List of Background Papers

Education, Leisure and Housing Committee, 2 April 2025, Housing Revenue Account Revenue Repairs and Maintenance Programme – Proposed Programme for 2025/26.

Appendix

Appendix 1 – Housing Revenue Account Revenue Repairs and Maintenance Monitoring Report as at 30 June 2025.

Appendix 1

Repairs and Maintenance Programme	<u>Actual</u> <u>Expenditure 30</u> <u>June 2025</u> £000's	<u>Approved Budget</u> <u>2025/26</u> <u>£000's</u>	<u>Balance</u> <u>Remaining</u> £000's	<u>Estimated Outturn</u> <u>2025/26 P12</u> £000's	<u>Predicted</u> <u>Overspend /</u> <u>(Underspend)</u> £000's	<u>Update</u>
Cyclical Maintenance	39.6	104.0	(64.4)	114.6	10.6	Electrical Installation Condition Reports (EICRs) and interlinked alarm contract works are progressing ahead of schedule, leading to increased expenditure. Consequently, there will be a reduction in the volume of works delivered during Q2 and Q3.
Planned Maintenance	80.9	780.0	(699.1)	623.6	(156.4)	Window and doors contract works are scheduled to commence in Q2/Q3. The kitchen contract is currently being renewed and is expected to begin in Q3/Q4.
Reactive Repairs	112.8	443.0	(330.2)	450.0	7.0	Reactive repairs are currently on budget.
Voids/Improvements/Adaptations	215.1	535.0	(319.9)	560.0	25.0	The presence of several large void properties during the period has led to increased costs. A review of expenditure is scheduled for Q2.
In-House Professional Fees		242.0	(242.0)	242.0	0.0	To be charged at year-end.
TOTALS	448.4	2,104.0	(1,655.6)	1,990.2	(113.8)	