

ITEM No ...2(b).....

REPORT TO: CITY COUNCIL AS FLEMING TRUSTEES – 12 SEPTEMBER, 2016

REPORT ON: FLEMING TRUST UNAUDITED ACCOUNTS FOR THE YEAR TO 31 MARCH, 2016

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES AND EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 281-2016

1.0 PURPOSE OF REPORT

1.1 To consider the trust's unaudited accounts for the year to 31 March, 2016

2.0 RECOMMENDATIONS

2.1 Elected members note the performance and achievements of the trust during the year to 31 March, 2016

3.0 FINANCIAL IMPLICATIONS

3.1 There are no direct financial implications arising from this report.

4.0 BACKGROUND

4.1 The Fleming Trust was set up in 1929 to provide suitable accommodation for the displaced occupants of slum dwellings in Dundee. The trustees have the responsibility to "hold and maintain" the houses. The trustees are overseen by a Supervisory Committee which meets twice a year.

4.2 The trust currently owns 92 houses and these are managed by Neighbourhood Services. All houses meet the Scottish Housing Quality Standard.

4.3 The trusts accounts are contained in Report No. 280-2016. In the year to 31 March, 2016 the trust achieved income of £316,040 (2014/2015 £317,712), mostly from rental income, and incurred £117,611, (2014/2015 £168,163) of revenue expenditure most of which was expended on management and maintenance to produce an operating surplus of £198,429 (2014/2015 £149,549). Most of this increase relates to reduced expenditure on demand led repairs.

4.4 Capital Expenditure of £2,591, (2014/2015 £57,046) was incurred on completing the upgrading of lighting in the sheltered lounge. In 2014/2015 expenditure was also incurred on replacing communal aerials to provide the tenants with access to various digital platforms.

4.5 The net result was a surplus of £195,838, (2015/2016 £92,503), which when added to the balance brought forward gives a balance on reserves of £885,618 (31 March, 2015 £699,780). This balance is required to fund any improvements to the properties. In 2016/2017 expenditure will be incurred on boiler replacement and kitchen/bathroom upgrades.

4.6 Report 119-2015 recommending that the Fleming Trust implement a new build programme of 15-20 units to increase the supply of affordable housing to meet housing need in the City was considered by the City Council as Fleming Trustees on 9th March 2015.

This new build programme and the houses will be provided in conjunction with the Council's HRA new build programme and Registered Social Landlord development programme within the Hilltown to obtain economies of scale delivering best value.

5 POLICY IMPLICATIONS

- 5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality and Impact Assessment and Risk Management. There are no major issues.

6 CONSULTATIONS

- 6.1 The Chief Executive and Head of Democratic and Legal Services have been consulted in the preparation of this report.

7 BACKGROUND PAPERS

- 7.1 None.

MARJORY M. STEWART
EXECUTIVE DIRECTOR OF CORPORATE SERVICES

DATE: 24 AUGUST, 2016

ELAINE ZWIRLEIN
EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

DATE: 24 AUGUST, 2016