

# Report

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Report to:	<b>Housing and Technical Resources Committee</b>
Date of Meeting:	<b>25 November 2009</b>
Report by:	<b>Executive Director (Finance and Information Technology Resources)</b> <b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Revenue Budget Monitoring 2009/2010 - Housing and Technical Resources (HRA)</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide information on the actual expenditure measured against the revenue budget for the period 1 April 2009 to 2 October 2009 for Housing and Technical Resources (HRA)
- ◆ provide a forecast for the year to 31 March 2010.

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the break even position on Housing and Technical Resources' (HRA) revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2010 of breakeven, be noted.
- (2) that the proposed budget virements be approved.

## 3. Background

- 3.1. This is the second revenue budget monitoring report presented to the Housing and Technical Resources Committee for the financial year 2009/2010. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Housing and Technical Resources (HRA) on Appendix A, along with variance explanations.

## 4. Employee Implications

4.1. None.

## 5. Financial Implications

- 5.1. As at 2 October 2009, there is a break even position against the phased budget. The forecast for the revenue budget to 31 March 2010 is a break even position.
- 5.2. Virements are also proposed to realign budgets across the Service. These movements have been detailed in Appendix A to this report.

## 6. Other Implications

6.1. None.

## **7. Equality Impact Assessment and Consultation Arrangements**

- 7.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 7.2. There is also no requirement to undertake any consultation in terms of the information contained in the report.

**Linda Hardie**

**Executive Director (Finance and Information Technology Resources)**

**Jim Hayton**

**Executive Director (Housing and Technical Resources)**

12 October 2009

### **Link(s) to Council Objectives**

- ◆ Value: Accountable, Effective and Efficient

### **Previous References**

- ◆ Housing and Technical Resources Committee, 16 September 2009

### **List of Background Papers**

- ◆ Financial ledger and budget monitoring results to 2 October 2009

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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**SOUTH LANARKSHIRE COUNCIL**  
**Revenue Budget Monitoring Report**

**Housing and Technical Resources Committee: Period Ended 2 October 2009 (No 7)**

**HRA**

<b>Budget Category</b>	<b>Annual Budget</b>	<b>Forecast for Year</b>	<b>Annual Forecast Variance</b>	<b>Budget Proportion 02/10/09</b>	<b>Actual 02/10/09</b>	<b>Variance 02/10/09</b>	<b>% Variance 02/10/09</b>	<b>Note</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>		
Employee Costs	11,428	11,428	0	5,780	5,817	(37)	over	(0.6%)
Property Costs	37,491	37,491	0	16,548	16,734	(186)	over	(1.1%) <b>1, a</b>
Supplies & Services	906	906	0	471	485	(14)	over	(3.0%)
Transport & Plant	20	20	0	9	11	(2)	over	(22.2%)
Administration Costs	670	670	0	295	470	(175)	over	(59.3%) <b>2</b>
Payments to Other Bodies	8,578	8,578	0	214	171	43	under	20.1%
Payments to Contractors	0	0	0	0	21	(21)	over	n/a
Transfer Payments	0	0	0	0	0	0	-	n/a
Financing Charges	11,302	11,302	0	10,857	11,220	(363)	over	(3.3%) <b>3</b>
<b>Total Controllable Exp.</b>	<b>70,395</b>	<b>70,395</b>	<b>0</b>	<b>34,174</b>	<b>34,929</b>	<b>(755)</b>	<b>over</b>	<b>(2.2%)</b>
<b>Total Controllable Inc.</b>	<b>(81,687)</b>	<b>(81,687)</b>	<b>0</b>	<b>(42,265)</b>	<b>(43,020)</b>	<b>755</b>	<b>over recovered</b>	<b>1.8% <b>4, a</b></b>
<b>Transfer to/(from) B/Sheet</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>n/a</b>
<b>Net Controllable Exp.</b>	<b>(11,292)</b>	<b>(11,292)</b>	<b>0</b>	<b>(8,091)</b>	<b>(8,091)</b>	<b>0</b>	<b>-</b>	<b>n/a</b>
<b>Add:- Non Controllable Budgets</b>								
<b>Central Support Costs</b>	<b>3,216</b>	<b>3,216</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>n/a</b>
<b>Finance Charges</b>	<b>8,076</b>	<b>8,076</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>n/a</b>
<b>Total Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(8,091)</b>	<b>(8,091)</b>	<b>0</b>	<b>-</b>	<b>n/a</b>

**Variance Explanations**

**1. Property Costs**

This overspend relates to demand for repairs and is off-set by additional income from the recovery of rechargeable repairs and insurance claims (see 4 below).

**2. Administration Costs**

The overspend relates to the costs of establishing a more effective system of record holding and also costs in respect of the Revised Allocation Policy for Council houses.

**3. Financing Charges**

This reflects additional Capital Financed from Current Revenue (CFCR) required as a net result of the reduction in house sales, partially offset by an over recovery of house rent income.

**4. Income**

This over recovery is due to rent collected as a result of a reduction in the predicted level of house sales. In addition, there are also over recoveries in relation to rechargeable repairs and insurance recoveries which are offset by additional expenditure (see 1 above).

**Budget Virements**

- a.** Realignment of budgets to reflect current service delivery: Property Costs (£0.167m) and Income £0.167m.