

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	4 February 2009
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2008/2009 - Housing and Technical Resources (HRA)
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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 2008 to 23 December 2008 for Housing and Technical Resources (HRA)
- ◆ provide a forecast for the year to 31 March 2009

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, be noted.
- (2) that following the probable outturn exercise the forecast to 31 March 2009 of breakeven be noted.
- (3) that the proposed budget virements be approved.

3. Background

- 3.1. This is the third revenue budget monitoring report presented to the Housing and Technical Resources Committee for the financial year 2008/2009. Further reports will follow throughout the financial year.
- 3.2. The report details the financial position for Housing and Technical Resources (HRA) in Appendix A, along with variance explanations.

4. Employee Implications

4.1. None

5. Financial Implications

5.1. As at 23 December 2008 there is a break even position against the phased budget.

5.2. Following the probable outturn exercise the forecast to 31 March 2009 on the Housing Revenue Account is a break even position. This reflects a revised level of revenue contributions to the Housing Capital Programme as a result of the reduced council house and land sales. This is funded by a higher than anticipated use of reserves.

5.3. 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 January 2009

Link(s) to Council Objectives/Values

♦ Value: Accountable, Effective and Efficient

Previous References

♦ Housing and Technical Resources Committee, 12 November 2008

List of Background Papers

♦ Financial ledger and budget monitoring results to 23 December 2008

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 23 December 2008 (No 10)

HRA

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 23/12/08	Actual 23/12/08	Variance 23/12/08		% Variance 23/12/08	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,054	10,996	58	8,044	7,848	196	under	2.4%	1, a
Property Costs	34,037	37,088	(3,051)	25,513	27,427	(1,914)	over	(7.5%)	2
Supplies & Services	972	918	54	591	551	40	under	6.8%	
Transport & Plant	20	20	0	15	10	5	under	33.3%	
Administration Costs	791	795	(4)	554	453	101	under	18.2%	
Payments to Other Bodies	7,901	8,063	(162)	228	231	(3)	over	(1.3%)	
Payments to Contractors	0	0	0	0	40	(40)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	12,359	19,023	(6,664)	227	915	(688)	over	(303.1%)	3
Total Controllable Exp.	67,134	76,903	(9,769)	35,172	37,475	(2,303)	over	(6.5%)	
Total Controllable Inc.	(79,229)	(81,030)	1,801	(54,439)	(55,860)	1,421	over recovered	2.6%	4, a
Transfer to/(from) B/Sheet	(2,426)	(10,030)	7,604	0	(882)	882	over recovered	n/a	5
Net Controllable Exp.	(14,521)	(14,157)	(364)	(19,267)	(19,267)	0	-	0.0%	
Add:- Non Controllable Budgets									
Central Support Costs	3,216	3,216	0	0	0	0	-	n/a	
Finance Charges	11,305	10,941	364	0	0	0	-	n/a	
Total Budget	0	0	0	(19,267)	(19,267)	0	-	0.0%	

Variance Explanations

- 1. Employee Costs**
The underspend reflects current vacancies within the Service.
- 2. Property Costs**
The overspend reflects the current increase in demand for repairs, which has increased by 12% in comparison with this time last year.
- 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 partially due to rent collected as a result of a reduction in the predicted level of house sales.
- 5. Transfer to/(from) Balance Sheet**
This reflects the utilisation of funding brought forward from previous years.

Budget Virements

- a.** Realignment of budget to reflect the homeless management structure – Employee Costs £0.173m, Income (£0.173m)