

South Lanarkshire Council

Revenue Budget Monitoring Statement

Period Ended 31 March 2021 (No.14)

Housing and Technical Resources

Service Departments :-

Housing Services

Property Services

COVID-19

Position before Transfers to Reserves

Transfers to Reserves as at 31/03/21

Position After Transfers to Reserves at 31/03/21

Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 31/03/21	Actual to Period 14 to 31/03/21 BEFORE Transfers	Variance to 31/03/21 BEFORE Transfers
£m	£m	£m	£m	£m	£m	£m
9.090	8.935	0.155	0.155	9.090	8.383	0.707 under
6.653	7.790	(1.137)	(1.137)	6.653	8.017	(1.364) over
0.000	1.265	(1.265)	(1.265)	0.000	5.853	(5.853) over
15.743	17.990	(2.247)	(2.247)	15.743	22.253	(6.510) over
				0.000	0.574	(0.574) over
				15.743	22.827	(7.084) over

Housing and Technical Resources (excl HRA) Variance Analysis 2020/21 (Period 14)

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Employee Costs	1,126k under	APT&C Basic / Overtime / Superannuation / National Insurance - 1,625k under	Housing Services - 304k under Property Services - 1,321k under	The variance relates to vacancies which are actively being recruited or being held whilst service requirements are determined.
		Manual Basic / Overtime / Superannuation / National Insurance - (505k) over	Property Services - (470k) over	The variance reflects the current level of trade operatives required to meet service demands.
Property Costs	(6,414k) over	Rent - (306k) over	COVID-19 - (234k) over	The overspend relates to the cost for additional temporary accommodation to meet increased demand as a result of COVID-19.
		<u>Service Charge - (198k) over</u>	<u>Property Services - (175k) over</u>	This relates to service charge costs in relation to Estates managed portfolio.
		Bed and Breakfast - (136k) over	COVID-19 - (160k) over	The overspend relates to the cost for additional temporary accommodation to meet increased demand as a result of COVID-19. This is partially offset by an over recovery of income.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Property Costs (cont)		Security Costs - (140k) over	Property Services - (102k) over	Expenditure on security varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works. These are higher due to COVID-19 lockdown.
		Repairs and Maintenance - Internal and External Contractor - (4,635k) over	COVID-19 - (4,710k) over	This reflects the loss of income from General Fund Capital due to COVID-19.
		<u>Rent W/o Unlet Periods - (191k) over</u>	<u>COVID-19 - (210k) over</u>	This reflects the increased void rent loss for Estates and Temporary Accommodation units due to COVID-19.
		Rent W/o Bad Periods - (386k) over	Housing Services - 52k under	This underspend relates to a change in the profile of temporary accommodation and also better than expected collection rates for rental income.
			Property Services - (150k) over	The Estates bad debt provision is higher than anticipated due to the level of debts experienced in Shopping Centre leases.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Property Costs (cont)		Rent W/o Bad Periods (cont)	<u>COVID-19 - (288k) over</u>	This reflects the increased bad debt levels for Estates and Temporary Accommodation units due to COVID-19.
		Fixtures and Fittings - (489k) over	<u>Housing Services - (287k) over</u> COVID-19 - (298k) over	This reflects the current demand for the various elements of Furnishing assistance for temporary accommodation provided due to COVID-19.
		Refuse Uplifts - 96k under	Property Services - 96k under	The level of uplifts varies depending on the current workload demands and timing of capital and revenue works. These are lower due to COVID-19 lockdown.
Supplies and Services	6,827k under	<u>IT Equipment Maint Contract - 167k under</u>	<u>Property Services - 160k under</u>	The cost of the IT systems within Property Services were lower than anticipated reflecting the age of the system. A new system is under development.
		Materials - 6,630k under	Property Services - 6,657k under	Expenditure on materials varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works. These were lower due to COVID-19 lockdown.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Supplies and Services (cont)		<u>Protective Clothing and Uniforms - (56k) over</u>	<u>COVID-19 - (52k) over</u>	The overspend relates to the cost for PPE as a result of COVID-19.
Transport and Plant	947k under	Fleet Services Charges (All lines) - 428k under Hire of Plant / Scaffolding / Skips - 509k under	Property Services - 383k under Property Services - 509k under	The underspend is mainly due to a reduction in fuel consumption as a result of lockdown restrictions on operatives' travel. Expenditure on hires varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works. These were lower due to COVID-19 lockdown.
Administration Costs	(47k) over	Mobile Phones - (99k) over	<u>Property Services - (61k) over</u> COVID-19 - (32k) over	The overspend reflects additional costs incurred to allow staff to work from home and to ensure customer contact access was maintained due to COVID-19 restrictions.
Payment to Other Bodies	(62k over)	Payment to Other Bodies - 26k under	<u>Housing - 443k under</u>	The underspend in Homelessness will be transferred to reserves to meet commitments going forward.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Payment to Other Bodies (cont)		Payment to Other Bodies (cont)	COVID-19 - (295k) over	This relates to payments for additional temporary accommodation required during COVID emergency and is offset by an over recovery of income.
		<u>Supporting People External Provider - 60k under</u>	<u>Housing Services - 60k under</u>	This underspend relates to the external provision of support contracts, where costs were lower than anticipated. A review of the contractual arrangements with suppliers has commenced.
		Private Individuals - General - (100k) over	COVID-19 - (100k) over	This overspend reflects additional COVID-19 costs in relation to tenancy sustainment costs.
Payments to Contractors	4,490k under	Payments to Private Contractors - 4,772k under	Property Services - 4,515k under	Expenditure on contractor payments varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works. These were lower due to COVID-19 lockdown.
		Payments to External Consultants - (282k) over	Property Services - (282k) over	This overspend reflects the requirement to purchase external professional services within the Projects team, to meet current service demands.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income	(13,376k) under recovered	Contributions from Other Bodies - (74k) under recovered	Housing - (89k) under recovered	This reflects an under recovery of one-off income to deliver specific projects with partners, including the Home Office for refugee resettlement. This is offset by a reduction expenditure.
		<u>Sales - Departments of the Authority - (67k) under recovered</u>	<u>Housing - (67k) under recovered</u>	This reflects an under recovery of income offset by a reduction in expenditure for Community Wardens.
		Fees and Charges - General - 62k over recovered	COVID-19 - 96k over recovered	The over recovery relates to income for bed and breakfast additional temporary accommodation to meet increased demand as a result of COVID-19. This partially offsets additional Property costs incurred above.
		Rental Income - (32k) under recovered	Property Services - (580k) under recovered	This under recovery is partly due to changes to the level of rental income collectable from the portfolio and partly due to changes in the accounting treatment of rental periods.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		Rental Income (cont)	COVID-19 - 548k over recovered	The over recovery relates to income for the provision of additional temporary accommodation to meet increased demand as a result of COVID-19. This partially offsets additional Property and Payment to Other Bodies expenditure above.
		House Rents - (145k) under recovered	Housing Services - (145k) under recovered	The majority of this under recovery relates to levels of temporary accommodation stock. A review of stock levels to match demand is ongoing.
		Recovery from Capital - (11,813k) under recovered	Property Services - (11,813k) under recovered	The level of income recovered varies depending on the current workload and the timing of a wide variety of major capital projects and is offset by a reduction in expenditure. These are lower due to COVID-19 lock down. The income includes the agreed recharge to the HRA and capital for the fixed costs of Project Services.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		Recharges - Departments of the Authority - (1,324k) under recovered	Property Services - (1,324k) under recovered	The level of income recovered varies depending on the current workload and the timing of a wide variety of revenue works and is offset by a reduction in expenditure. These are lower due to COVID-19 lock down. The income to date includes the agreed recharge to the HRA and capital for the fixed costs of the Internal Property Services contractor.

* The underlined variances represent new variances since the last report.

South Lanarkshire Council

Housing & Technical Resources - Total

Expenditure / Income Variance Trends 2020/21

	REVISED ANNUAL BUDGET 2020/21	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
EMPLOYEE COSTS				
APT & C BASIC	14,879	13,762	1,117	under
APT & C OVERTIME	187	165	22	under
APT & C SUPERANNUATION	2,882	2,573	309	under
APT & C NIC	1,542	1,365	177	under
MANUAL BASIC	17,165	17,509	(344)	over
MANUAL OVERTIME	1,056	1,069	(13)	over
MANUAL SUPERANNUATION	3,291	3,331	(40)	over
MANUAL NIC	1,709	1,817	(108)	over
TRAVEL AND SUBSISTANCE	26	16	10	under
OTHER EMPLOYEE COSTS	134	125	9	under
PENSION INCREASES	600	603	(3)	over
ADDITIONAL PENSION COSTS	13	23	(10)	over
EMPLOYEE COSTS	43,484	42,358	1,126	under
PROPERTY COSTS				
RATES	2,124	2,121	3	under
SCOTTISH WATER - UNMETERED CHARGES	12	12	0	-
SCOTTISH WATER - METERED CHARGES	256	240	16	under
RENT	1,262	1,568	(306)	over
SERVICE CHARGE	123	321	(198)	over
FACTORING CHARGES	9	3	6	under
OTHER ACCOMMODATION COSTS	2,578	2,618	(40)	over
BED AND BREAKFAST	27	163	(136)	over
PROPERTY INSURANCE	295	274	21	under
SECURITY COSTS	299	439	(140)	over
GROUND MAINTENANCE	52	57	(5)	over
GROUNDS MAINTENANCE ADDITIONAL WORKS	10	8	2	under
REPAIRS & MAINTENANCE - INTERNAL CONTRACTOR	3,787	8,044	(4,257)	over
LIFE CYCLE MAINTENANCE	2,847	2,847	0	-
REPAIRS & MAINTENANCE - EXTERNAL CONTRACTOR	380	758	(378)	over
ADAPTIONS - INTERNAL CONTRACTORS	0	10	(10)	over
HOUSING - RENT FREE ACCOMMODATION	0	7	(7)	over
HOUSING - RENT W/O UNLET PERIODS	667	858	(191)	over
HOUSING - RENT W/O BAD PERIODS	798	1,184	(386)	over
ASBESTOS	0	6	(6)	over
ELECTRICITY - CONTRACT	955	913	42	under
ELECTRICITY - NON CONTRACT	25	10	15	under
GAS	249	234	15	under
HEATING OIL	12	6	6	under
SOLID FUEL	0	2	(2)	over
FIXTURE & FITTINGS	628	1,117	(489)	over
JANITOR SERVICE	164	152	12	under
CLEANING CONTRACT	339	354	(15)	over
CLEANING OUTWITH CONTRACT	0	3	(3)	over
CLEANING MATERIALS	10	7	3	under
WINDOW CLEANING	3	1	2	under
PEST CONTROL	6	5	1	under
REFUSE UPLIFT	405	309	96	under
REMOVAL & STORAGE COSTS	46	75	(29)	over
OTHER PROPERTY COSTS	504	533	(29)	over
OFFICE ACCOM-FACILITIES MANAGEMENT	1,113	1,133	(20)	over
ACCOMMODATION RECHARGE TO USERS	33	40	(7)	over
PROPERTY COSTS	20,018	26,432	(6,414)	over

South Lanarkshire Council

Housing & Technical Resources - Total

Expenditure / Income Variance Trends 2020/21

	REVISED ANNUAL BUDGET 2020/21	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
SUPPLIES AND SERVICES				
COMPUTER EQUIPMENT PURCHASE	471	434	37	under
COMPUTER EQUIPMENT MAINTENANCE	6	16	(10)	over
I.T. EQUIPMENT MAINT-CONTRACT	222	55	167	under
EQUIPMENT, APPARATUS AND TOOLS	46	27	19	under
SMALL TOOLS	0	0	0	-
ADAPTATIONS FOR CLIENTS	501	510	(9)	over
FURNITURE - OFFICE	0	12	(12)	over
FURNITURE - GENERAL	21	4	17	under
FURNISHINGS	0	0	0	-
MATERIALS	12,640	6,010	6,630	under
MATERIALS (INSURABLE LOSSES)	0	0	0	-
STOCK/STORE ISSUES	0	0	0	-
MATERIALS, APPARATUS AND EQUIPMENT	0	2	(2)	over
AUDIO VISUAL	10	1	9	under
PUBLICATIONS, JOURNALS, NEWSPAPERS ETC.	2	0	2	under
TV LICENCES - EDUCATION	1	1	0	-
FOODSTUFFS - GENERAL	3	3	0	-
PROTECTIVE CLOTHING & UNIFORMS	42	98	(56)	over
LAUNDRY COSTS	0	0	0	-
OTHER SUPPLIES AND SERVICES	67	36	31	under
HEALTH AND SAFETY	2	1	1	under
CATERING - CONTRACT	1	0	1	under
CATERING - OUTWITH CONTRACT	0	0	0	-
OUTSOURCED MAIL	0	1	(1)	over
DELIVERY CHARGE	0	1	(1)	over
BULK BUYING DISCOUNT	0	(4)	4	under
SUPPLIES AND SERVICES	14,035	7,208	6,827	under
TRANSPORT AND PLANT				
PURCHASE OF PLANT	126	122	4	under
FLEET SERVICES - FUEL	0	4	(4)	over
POOL CAR RECHARGE - RENTAL CHARGE	98	122	(24)	over
POOL CAR RECHARGE - FUEL	26	0	26	under
POOL CAR RECHARGE - ADDITIONAL CHARGES	1	0	1	under
OTHER TRANSPORT COSTS	7	6	1	under
TRANSPORT INSURANCE	44	44	0	-
FLEET SERVICES - REPAIRS	0	2	(2)	over
PLANT SERVICES	7	1	6	under
FLEET SERVICE CHARGES	0	0	0	-
FLEET SERVICE CHARGES VEHICLE MAINTENANCE	334	344	(10)	over
FLEET SERVICE CHARGES UNSCHEDULED LABOUR	1	0	1	under
FLEET SERVICE CHARGES PLANT MAINTENANCE	7	9	(2)	over
FLEET SERVICE CHARGES ASSET MODIFICATIONS	15	2	13	under
FLEET SERVICE CHARGES LEASING	1,397	1,481	(84)	over
FLEET SERVICE CHARGES HIRED VEHICLES	206	40	166	under
FLEET SERVICE CHARGES CONTRACT HIRE	48	2	46	under
FLEET SERVICE CHARGES ROAD FUND LICENCES/MOT	116	173	(57)	over
FLEET SERVICE CHARGES FUEL	787	432	355	under
HIRE OF EXTERNAL PLANT	257	165	92	under
HIRE OF SCAFFOLDING	1,077	520	557	under
HIRE OF SKIPS	32	172	(140)	over
PUPIL TRANSPORT - OTHER	0	2	(2)	over
TAXI CHARGES - CONTRACTED	9	5	4	under
TRANSPORT AND PLANT	4,595	3,648	947	under

South Lanarkshire Council

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Expenditure / Income Variance Trends 2020/21

	REVISED ANNUAL BUDGET 2020/21	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
ADMINISTRATION				
PRINTING AND STATIONERY	90	82	8	under
TELEPHONES	94	56	38	under
MOBILE PHONES	39	138	(99)	over
ADVERTISING - OF COUNCIL SERVICE AVAILABILITY	7	6	1	under
ADVERTISING - OTHER	6	2	4	under
POSTAGES/COURIERS	22	21	1	under
MEMBERSHIP FEES/SUBSCRIPTIONS	16	24	(8)	over
INSURANCE	217	210	7	under
MEDICAL COSTS	53	35	18	under
LEGAL EXPENSES	16	27	(11)	over
PETTY OUTLAYS	13	17	(4)	over
HOSPITALITY / CIVIC RECOGNITION	0	2	(2)	over
OTHER ADMIN COSTS	13	11	2	under
TRAINING	4	5	(1)	over
INTERNAL SUPPORT SERVICES ALLOCATION	457	458	(1)	over
CENTRAL ADMINISTRATION	2,600	2,600	0	-
ADMINISTRATION	3,647	3,694	(47)	over
PAYMENT TO OTHER BODIES				
OTHER COMMITTEES OF THE AUTHORITY	2,615	2,620	(5)	over
OTHER LOCAL AUTHORITIES	0	1	(1)	over
PAYMENTS TO OTHER BODIES	1,448	1,422	26	under
SUPPORTING PEOPLE INTERNAL PROVIDER	1,119	1,129	(10)	over
SUPPORTING PEOPLE EXTERNAL PROVIDER	702	642	60	under
HOUSING ADMINISTRATION	1,170	1,170	0	-
ASSISTANCE TO HOME OWNERS	1,699	1,731	(32)	over
PRIVATE INDIVIDUALS - GENERAL	150	250	(100)	over
PAYMENT TO OTHER BODIES	8,903	8,965	(62)	over
PAYMENT TO CONTRACTORS				
PAYMENT TO PRIVATE CONTRACTOR	18,559	13,787	4,772	under
PAYMENT TO EXTERNAL CONSULTANTS	231	513	(282)	over
PAYMENT TO CONTRACTORS	18,790	14,300	4,490	under
FINANCING CHARGES				
I.T. EQUIPMENT LEASING-CONTRACT	152	155	(3)	over
INTEREST ON REVENUE BALANCES	2	0	2	under
FINANCING CHARGES	154	155	(1)	over
TOTAL EXPENDITURE	113,626	106,760	6,866	under
INCOME				
CONTRIBUTIONS FROM OTHER BODIES	(429)	(355)	(74)	under rec
SALES - DEPARTMENTS OF THE AUTHORITY	(606)	(539)	(67)	under rec
FEES AND CHARGES - GENERAL	(580)	(642)	62	over rec
FEES AND CHARGES - DEPARTMENTS OF THE AUTHORITY	(46)	(51)	5	over rec
RENTAL INCOME	(4,515)	(4,483)	(32)	under rec
HOUSE RENTS	(5,566)	(5,421)	(145)	under rec
OTHER INCOME	(5,157)	(5,146)	(11)	under rec
REALLOCATION OF CENTRAL SUPPORT COSTS	(1,253)	(1,254)	1	over rec
REALLOCATION OF SUPPORT COSTS	(1,880)	(1,902)	22	over rec
RECOVERY FROM CAPITAL	(40,255)	(28,442)	(11,813)	under rec
RECHARGES - DEPARTMENTS OF THE AUTHORITY	(37,497)	(36,173)	(1,324)	under rec
MANUAL RECHARGES - DEPARTMENTS OF THE AUTHORITY	(99)	(99)	0	-
INCOME	(97,883)	(84,507)	(13,376)	under rec
NET EXPENDITURE	15,743	22,253	(6,510)	over