

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	17 February 2010
Report by:	Executive Director (Finance and Information Technology Resources) Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2009/2010 - 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 to 23 December 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 breakeven 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 third revenue budget monitoring report presented to the Housing and Technical Resources Committee for the financial year 2009/2010.
- 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 23 December 2009, there is a breakeven position against the phased budget.
- 5.2. Following the probable outturn exercise the forecast to 31 March 2010 on the Housing and Technical Resources (HRA) is a breakeven position. This position is achieved by transferring a forecast underspend to the balance sheet for utilisation in future years.

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 2010

Link(s) to Council Objectives

♦ Value: Accountable, Effective and Efficient

Previous References

♦ Housing and Technical Resources Committee, 25 November 2009

List of Background Papers

♦ Financial ledger and budget monitoring results to 23 December 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 23 December 2009 (No 10)

HRA

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 23/12/09	Actual 23/12/09	Variance 23/12/09		% Variance 23/12/09	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	11,428	11,480	(52)	8,404	8,511	(107)	over	(1.3%)	1
Property Costs	37,174	37,693	(519)	24,318	24,701	(383)	over	(1.6%)	2, a
Supplies & Services	906	913	(7)	651	716	(65)	over	(10.0%)	
Transport & Plant	20	27	(7)	14	13	1	under	7.1%	
Administration Costs	899	1,036	(137)	569	620	(51)	over	(9.0%)	a
Payments to Other Bodies	9,103	9,477	(374)	180	185	(5)	over	(2.8%)	b
Payments to Contractors	60	75	(15)	47	39	8	under	17.0%	a
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	11,302	11,308	(6)	11,262	11,258	4	under	0.0%	
Total Controllable Exp.	70,892	72,009	(1,117)	45,445	46,043	(598)	over	(1.3%)	
Total Controllable Inc.	(82,184)	(83,966)	1,782	(56,425)	(57,374)	949	over recovered	(1.7%)	3, a, b
Transfer to/(from) B/Sheet	0	442	(442)	0	351	(351)	over	n/a	4
Net Controllable Exp.	(11,292)	(11,515)	223	(10,980)	(10,980)	0	-	n/a	
Add:- Non Controllable Budgets									
Central Support Costs	3,216	3,216	0	0	0	0	-	n/a	
Finance Charges	8,076	8,299	(223)	0	0	0	-	n/a	
Total Budget	0	0	0	(10,980)	(10,980)	0	-	n/a	

Budget Virements

- a. Realignment of budgets to reflect current service delivery: Property Costs (£0.317m), Administration £0.229m, Payment to Contractors £0.060m and Income £0.028m.
- b. Realignment of budgets to reflect Hostels Grant: Payments to Other Bodies £0.525m and Income (£0.525m).

Variance Explanations

1. **Employee Costs**
This overspend relates mainly to overtime for one-off projects, for example the introduction of the Document Management System which links to the Common Allocation System.
2. **Property Costs**
This overspend relates to demand for repairs and is offset by additional income from the recovery of rechargeable repairs and insurance claims (see 3 below).
3. **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 offset additional expenditure (see 2 above).
4. **Transfer to/(from) Balance Sheet**
This underspend represents the transfer of the underspend on the HRA account to the balance sheet to be carried forward for use in future years.