

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	13 December 2017
Report by:	Executive Director (Finance and Corporate Resources) Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2017/2018 - 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 13 October 2017 for Housing and Technical Resources (HRA)
- ◆ provide a forecast for the year to 31 March 2018

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 2018 of a breakeven position, be noted; and
- (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 2017/2018.

3.2. The report details the financial position for Housing and Technical Resources (HRA) on Appendix A.

4. Employee Implications

4.1. None.

5. Financial Implications

5.1. As at 13 October 2017, there is a breakeven position against the phased budget. The forecast for the budget to 31 March 2018 is a breakeven position.

5.2. Virements are proposed to realign budgets. These movements have been detailed in the appendix to this report.

6. Other Implications

6.1. The main risk associated with the Council's Revenue Budget is that there is an overspend. The risk has been assessed as low given the detailed budget management applied across the Resources. The risk is managed through four weekly Budget Monitoring Meetings at which any variance is analysed. In addition,

the probable outturn exercise ensures early warning for corrective action to be taken where appropriate.

- 6.2. There are no implications for sustainability in terms of the information contained in this report.

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 this report.

Paul Manning
Executive Director (Finance and Corporate Resources)

Daniel Lowe
Executive Director (Housing and Technical Resources)

8 November 2017

Link(s) to Council Values/Objectives

- ◆ Accountable, Effective and Efficient

Previous References

- ◆ Housing and Technical Resources Committee, 4 October 2017

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 13 October 2017

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 13 October 2017 (No.8)

Housing Revenue Account

<u>Budget Category</u>	Annual Budget £000	Forecast for Year £000	Annual Forecast Variance £000	Budget Proportion 13/10/17 £000	Actual 13/10/17 £000	Variance 13/10/17 £000		% Variance 13/10/17	Note
Employee Costs	12,661	12,661	0	6,442	6,199	243	under	3.8%	1
Property Costs	37,938	37,938	0	20,006	20,226	(220)	over	(1.1%)	2, a, b
Supplies & Services	610	610	0	367	359	8	under	2.2%	
Transport & Plant	215	215	0	67	66	1	under	1.5%	
Administration Costs	5,886	5,886	0	392	407	(15)	over	(3.8%)	c
Payments to Other Bodies	3,491	3,491	0	8	16	(8)	over	(100.0%)	b, c
Payments to Contractors	100	100	0	40	40	0	-	0.0%	
Transfer Payments	0	0	0	0	0	0	-	0.0%	
Financing Charges	19,520	19,520	0	9,747	9,747	0	-	0.0%	
Total Controllable Exp.	80,421	80,421	0	37,069	37,060	9	under	0.0%	
Total Controllable Income	(95,423)	(95,423)	0	(45,772)	(45,785)	13	over recovered	(0.0%)	a, c
Transfer to/(from) Balance Sheet	619	619	0	331	353	(22)	over	(6.6%)	
Net Controllable Exp.	(14,383)	(14,383)	0	(8,372)	(8,372)	0	-	0.0%	
Loan Charges	14,383	14,383	0	0	0	0	-	0.0%	
Net Controllable Exp.	0	0	0	(8,372)	(8,372)	0	-	0.0%	

Variance Explanations**1. Employee Costs**

The underspend in Employee Costs is due to higher than anticipated staff turnover across the service to date.

2. Property Costs

This overspend is due to repairs and grounds maintenance works which are demand led services and will be managed within the overall budget.

Budget Virements

- Realignment of budget to reflect additional rechargeable repairs income and expenditure. Net Effect £0.000m: £0.450m Property Costs, (£0.450m) Income.
- Realignment of budget to reflect Grounds Maintenance recharge expenditure. Net Effect £0.000m: £0.460m Property Costs, (£0.460m) Payments to Other Bodies.
- Realignment of support budgets to reflect current service delivery. Net Effect £0.000: Administration Costs £1.724m, Payments to Other Bodies (£1.570m) and Income (£0.154m).

