

South Lanarkshire Council

Revenue Budget Monitoring Statement

Period Ended 31 March 2018 (No.14)

Housing and Technical Resources (excl HRA)

Service Departments :-	Annual Budget £m	Forecast for Year Before Transfers £m	Forecast for Year After Transfers £m	Annual Forecast Variance After Transfers £m	Actual to 31/03/18 Before Transfers £m	Variance	Actual to 31/03/18 After Transfers £m	Variance
						Annual Budget to Actual Before Transfers £m		Annual Budget to Actual After Transfers £m
Housing Services	7.682	6.827	7.506	0.176	6.695	0.987	7.530	0.152
Property Services	16.168	16.364	16.344	(0.176)	16.320	(0.152)	16.320	(0.152)
Total Housing and Technical Resources	23.850	23.191	23.850	(0.000)	23.015	0.835	23.850	0.000
Trading Operations	(3.981)	(3.981)	(3.981)	0.000	(3.982)	0.001	(3.982)	0.001
Total Housing and Technical Resources including Trading Operations	19.869	19.210	19.869	(0.000)	19.033	0.836	19.868	0.001

Housing and Technical Resources (excl HRA) Variance Analysis 2017/18 (Period 14)

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Employee Costs	170k under	APT&C Basic / Superannuation / National Insurance - 239k under	Property Services - 302k under	The underspend is due to higher than anticipated staff turnover for the year.
			Housing Services - (63k) over	The overspend is due to turnover being lower than anticipated, and has been managed within the overall resource budget.
		Pension Increases / Additional Pension Costs - (66k) over	Property Services - (58k) over	The overspend relates to the ongoing costs of early retirals and has been managed within the overall budget.
Property Costs	(313k) over	Rates - 77k under	Property Services - 77k under	The underspend reflects a lower level of empty properties requiring to be funded from within Estates budgets. This partially offsets the income pressures within the overall Estates budget (see Income).
		Other Accommodation Costs - 109k under	Housing Services - 109k under	The number of temporary accommodation units has been lower than anticipated and is partially offset by an under recovery of rental income.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Property Costs (cont)		Repairs and Maintenance - Internal and External Contractor and Lifecycle Maintenance - (542k) over	Property Services - (389k) over	This overspend reflects the demand for repairs and dilapidations in relation to council and Estates managed properties.
			Housing Services - (153k) over	This overspend is due to a greater than anticipated volume of void repairs in relation to Homeless managed properties.
		Rent Written Off - Unlet Periods - 129k under	Housing Services - 88k under	The void levels in Temporary Accommodation managed properties were lower than anticipated.
		<u>Rent Written Off - Bad Periods - (148k) over</u>	<u>Housing Services - (144k) over</u>	The level of bad debt provision required was higher than anticipated, due to the timing of the rollout of Universal Credit.
		Office Accommodation - Facilities Management - (59k) over	Property Services - (58k) over	The cost of provision for Office Accommodation properties is higher than anticipated and has been managed within the overall budget.
Supplies and Services	71k under	Computer Equipment Purchase - 38k under	Housing Services - 54k under	The underspend relates to lower than anticipated ad hoc IT charges on private circuits.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Supplies and Services (cont)		<u>Other Supplies and Services - 50k under</u>	<u>Housing Services - 35k under</u>	There is an underspend on the Refugee programme due to timing of expenditure, offset by an under recovery of income from the Home Office.
Payments to Other Bodies	100k under	Payments to Other Bodies - 127k under Assistance to Home Owners - (72k) over	Property Services - 120k under Property Services - (72k) over	This underspend reflects efficiencies in the procurement of contracts. This net overspend is due to additional expenditure on adaptations for Social Work identified adaptations, partially offset by a reduction in adaptations for private sector homes for capital programme works and additional income from Renewable Heating Initiatives.
Income	(118k) under recovered	<u>Contributions from Other Bodies - (65k) under recovered</u> <u>Sales Departments of the Authority - (62k) under recovery</u>	<u>Housing Services - (65k) under recovered</u> <u>Housing Services - (62k) under recovered</u>	This under recovery relates to income from the Home Office to cover the Refugee programme, offset by a reduction in spend (See Supplies and Services). This under recovery reflects the recharge of costs to other Services of the Resource.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Income (cont)		Fees and Charges General - 143k over recovered	Property Services - 147k over recovered	This relates to additional insurance contributions from tenants as a result of higher occupancy levels and also the recovery of dilapidation costs from tenants.
		Rental Income - (503k) under recovered	Property Services - (503k) under recovered	This under recovery relates to income due from Estates managed properties and reflects the ongoing income pressures within the Service.
		House Rents - 295k over recovered	Housing Services - 295k over recovered	This over recovery relates to additional funding received for Temporary Homelessness Accommodation from the Scottish Government.
		<u>Other Income - 72k over recovered</u>	<u>Property Services - 77k over recovered</u>	This over recovery reflects the recharge of costs to other Services of the Resource.

* The underlined variances are the new variances since the last report

South Lanarkshire Council

Housing & Technical Resources - HRA

Expenditure / Income Variance Trends 2017/18

	REVISED ANNUAL BUDGET SLC 17/18 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
EMPLOYEE COSTS				
APT & C BASIC	9,592	9,415	177	under
APT & C OVERTIME	79	90	(11)	over
APT & C SUPERANNUATION	1,847	1,614	233	under
APT & C NIC	858	823	35	under
MANUAL OVERTIME	0	1	(1)	over
TRAVEL AND SUBSISTENCE	44	13	31	under
OTHER EMPLOYEE COSTS	0	58	(58)	over
PENSION INCREASES	219	215	4	under
ADDITIONAL PENSION COSTS	0	9	(9)	over
EMPLOYEE COSTS	12,639	12,238	401	under
PROPERTY COSTS				
RATES	126	125	1	under
SCOTTISH WATER - UNMETERED CHARGES	4	3	1	under
SCOTTISH WATER - METERED CHARGES	8	14	(6)	over
RENT	6	3	3	under
SERVICE CHARGE	65	39	26	under
OTHER ACCOMMODATION COSTS	101	82	19	under
BED AND BREAKFAST	0	1	(1)	over
PROPERTY INSURANCE	923	924	(1)	over
SECURITY COSTS	55	5	50	under
GROUND MAINTENANCE	3,923	4,281	(358)	over
REPAIRS & MAINTENANCE - INTERNAL CONTRACTOR	24,357	26,172	(1,815)	over
REPAIRS & MAINTENANCE - EXTERNAL CONTRACTOR	888	888	0	
HOUSING - RENT FREE ACCOMMODATION	155	150	5	under
HOUSING - RENT W/O UNLET PERIODS	1,960	1,759	201	under
HOUSING - RENT W/O BAD PERIODS	2,998	2,216	782	under
EPC	0	4	(4)	over
ELECTRICITY - CONTRACT	717	691	26	under
GAS	310	226	84	under
HEATING OIL	54	29	25	under
SOLID FUEL	4	1	3	under
CARBON REDUCTION COMMITMENT	0	2	(2)	over
FIXTURE & FITTINGS	58	87	(29)	over
JANITOR SERVICE	150	157	(7)	over
CLEANING CONTRACT	417	449	(32)	over
CLEANING MATERIALS	60	28	32	under
WINDOW CLEANING	16	17	(1)	over
PEST CONTROL	122	84	38	under
REFUSE UPLIFT	0	24	(24)	over
REMOVAL & STORAGE COSTS	14	40	(26)	over
OTHER PROPERTY COSTS	35	60	(25)	over
PROPERTY COSTS	37,526	38,561	(1,035)	over

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Expenditure / Income Variance Trends 2017/18

	REVISED ANNUAL BUDGET SLC 17/18 2	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
SUPPLIES AND SERVICES				
COMPUTER EQUIPMENT PURCHASE	297	251	46	under
COMPUTER EQUIPMENT MAINTENANCE	0	10	(10)	over
I.T. EQUIPMENT MAINT-CONTRACT	209	195	14	under
EQUIPMENT AND OTHER TOOLS	13	15	(2)	over
FURNITURE - OFFICE	10	6	4	under
FURNITURE - GENERAL	0	8	(8)	over
MATERIALS	0	4	(4)	over
FOODSTUFFS - GENERAL	6	6	0	
PROTECTIVE CLOTHING & UNIFORMS	12	14	(2)	over
LAUNDRY COSTS	16	4	12	under
OTHER SUPPLIES AND SERVICES	32	13	19	under
HEALTH AND SAFETY	15	1	14	under
CATERING - CONTRACT	0	3	(3)	over
CATERING - OUTWITH CONTRACT	0	2	(2)	over
CATERING - EXTERNAL	0	2	(2)	over
SUPPLIES AND SERVICES	610	534	76	under
TRANSPORT AND PLANT				
POOL CAR RECHARGE - RENTAL CHARGE	37	25	12	under
POOL CAR RECHARGE - FUEL	13	6	7	under
POOL CAR RECHARGE - ADDITIONAL CHARGES	2	1	1	under
OTHER TRANSPORT COSTS	0	3	(3)	over
FLEET SERVICE CHARGES - VEHICLE MAINTENANCE	8	23	(15)	over
FLEET SERVICE CHARGES - UNSCHEDULED LABOUR	0	1	(1)	over
FLEET SERVICE CHARGES - LEASING	90	70	20	under
FLEET SERVICE CHARGES - HIRED VEHICLES	30	5	25	under
FLEET SERVICE CHARGES - CONTRACT HIRE	6	0	6	under
FLEET SERVICE CHARGES - ROAD FUND LICENCES	0	8	(8)	over
FLEET SERVICE CHARGES - FUEL	25	21	4	under
HIRE OF EXTERNAL VEHICLES	0	3	(3)	over
HIRE OF SKIPS	0	3	(3)	over
STORAGE	4	0	4	under
TAXI CHARGES - CONTRACTED	0	3	(3)	
TRANSPORT AND PLANT	215	172	43	under
ADMINISTRATION				
PRINTING AND STATIONERY	86	104	(18)	over
BULK PRINTING	75	138	(63)	over
TELEPHONES	131	86	45	under
MOBILE PHONES	27	17	10	under
ADVERTISING - OF COUNCIL SERVICE AVAILABILITY	35	0	35	under
ADVERTISING - OTHER	12	1	11	under
POSTAGES/COURIERS	154	87	67	under
MEMBERSHIP FEES/SUBSCRIPTIONS	38	47	(9)	over
MEDICAL COSTS	25	35	(10)	over
LEGAL EXPENSES	86	142	(56)	over
PETTY OUTLAYS	4	5	(1)	over
GIRO BANK AGENCY FEES	9	0	9	under
PAYPOINT AGENCY FEES	61	72	(11)	over
INTERNET AGENCY FEES	6	0	6	under
OTHER ADMIN COSTS	27	6	21	under
CONFERENCES - MEMBERS	0	1	(1)	over
CONFERENCES - OFFICIALS	7	6	1	under
INTERNAL SUPPORT SERVICES ALLOCATION	5,035	5,033	2	under
ADMINISTRATION	5,818	5,780	38	under

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PAYMENT TO OTHER BODIES				
OTHER COMMITTEES OF THE AUTHORITY	3,493	3,133	360	under
GRANTS TO VOLUNTARY ORGANISATIONS	3	2	1	under
PAYMENTS TO VOLUNTARY ORGANISATIONS	31	22	9	under
PAYMENTS TO OTHER BODIES	32	42	(10)	over
PAYMENT TO OTHER BODIES	3,559	3,199	360	under
PAYMENT TO CONTRACTORS				
PAYMENT TO PRIVATE CONTRACTOR	80	93	(13)	over
PAYMENT TO EXTERNAL CONSULTANTS	20	35	(15)	over
PAYMENT TO CONTRACTORS	100	128	(28)	over
FINANCING CHARGES				
PRINCIPAL-DEBT CHARGES	0	5,193	(5,193)	over
INTEREST-DEBT CHARGES	14,383	8,946	5,437	under
EXPENSES-DEBT CHARGES	0	139	(139)	over
I.T. EQUIPMENT LEASING-CONTRACT	67	59	8	under
CFCR	19,932	19,932	0	
INTEREST ON REVENUE BALANCES	(67)	(45)	(22)	over
TRANSFER TO STATUTORY ACCUMULATED COMPENSATED ABSENCE	0	17	(17)	over
FINANCING CHARGES	34,315	34,241	74	under
TOTAL EXPENDITURE	94,782	94,853	(71)	over
INCOME				
SALES - DEPARTMENTS OF THE AUTHORITY	(1,201)	(1,303)	102	over rec
FEES AND CHARGES - GENERAL	(4,539)	(4,873)	334	over rec
RENTAL INCOME	(460)	(550)	90	over rec
HOUSE RENTS	(83,187)	(83,124)	(63)	under rec
LOCK UP RENTS	(2,392)	(2,322)	(70)	under rec
COMMISSION	(216)	(232)	16	over rec
INSURANCE RECOVERIES	(250)	(94)	(156)	under rec
OTHER INCOME	(2,273)	(2,876)	603	over rec
REALLOCATION OF SUPPORT COSTS	(883)	(883)	0	
TMC BALANCE TO BAL SHEET	0	31	(31)	under rec
TOTAL INCOME	(95,401)	(96,226)	825	over rec
TOTAL YEAR END T/FER TO/FROM BALANCE SHEET	619	1,373	(754)	over
NET EXPENDITURE	0	0	0	