

Report

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Report to:	Housing and Technical Resources Committee
Date of Meeting:	13 July 2011
Report by:	Chief Executive Executive Director (Housing and Technical Resources)

Subject:	Revenue Budget Monitoring 2011/2012 - 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 10 June 2011 for Housing and Technical Resources (HRA)
- ◆ provide a forecast for the year to 31 March 2012

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the underspend on Housing and Technical Resources' (HRA) revenue budget of £0.023m (0.3%), as detailed in Appendix A of the report, and the forecast to 31 March 2012 of breakeven, be noted; and
- (2) that the proposed budget virements be approved.

3. Background

3.1. This is the first revenue budget monitoring report presented to the Housing and Technical Resources Committee for the financial year 2011/2012.

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 10 June 2011, the variance from phased budget to date is an underspend of £0.023m (0.3%). The forecast for the revenue budget to 31 March 2012 is a breakeven position.

5.2. 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. The main risk associated with the Council's Revenue Budget is that there is a significant 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.

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.

Archibald Strang
Chief Executive

Lindsay Freeland
Executive Director (Housing and Technical Resources)

20 June 2011

Link(s) to Council Values/Improvement Themes/Objectives

- ◆ Value: Accountable, Effective and Efficient

Previous References

- ◆ None

List of Background Papers

- ◆ Financial ledger and budget monitoring results to 10 June 2011

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 10 June 2011 (No 3)

Housing Revenue Account (HRA)

Budget Category	Annual Budget	Forecast for Year	Annual Forecast Variance	Budget Proportion 10/06/11	Actual 10/06/11	Variance 10/06/11		% Variance 10/06/11	Note
	£000	£000	£000	£000	£000	£000			
Employee Costs	9,788	9,788	0	1,431	1,409	22	under	1.5%	a
Property Costs	37,171	37,171	0	2,830	2,909	(79)	over	(2.8%)	1,b,c
Supplies & Services	961	961	0	266	246	20	under	7.5%	
Transport & Plant	21	21	0	4	20	(16)	over	(400.0%)	2
Administration Costs	6,929	6,929	0	95	69	26	under	27.4%	C
Payments to Other Bodies	6,152	6,152	0	4	(4)	8	under	200.0%	a,b,c,d
Payments to Contractors	0	0	0	0	2	(2)	over	n/a	
Transfer Payments	0	0	0	0	0	0	-	n/a	
Financing Charges	13,394	13,394	0	94	94	0	-	n/a	
Total Controllable Exp.	74,416	74,416	0	4,724	4,745	(21)	over	(0.4%)	
Total Controllable Inc.	(86,172)	(86,172)	0	(13,841)	(13,885)	44	over recovered	0.3%	3,d
Transfer to/(from) B/Sheet	(2,048)	(2,048)	0	0	0	0	-	n/a	
Net Controllable Exp.	(13,804)	(13,804)	0	(9,117)	(9,140)	23	under	(0.3%)	
Add:- Non Controllable Budgets									
Central Support Costs	0	0	0	0	0	0	-	n/a	
Finance Charges	13,804	13,804	0	0	0	0	-	n/a	
Total Budget	0	0	0	(9,117)	(9,140)	23	under	(0.3%)	

Variance Explanations**1. Property Costs**

This overspend relates to repairs related to recent storm damage, which will be recoverable through insurance.

2. Transport Costs

This overspend relates to the introduction of the pool car scheme, and is off set by savings within employee costs. A budget realignment is required.

3. Income

This over recovery of income relates to House Rents which are higher than anticipated due to a reduction in the number of council house sales.

Budget Virements

- Transfer of Rent Staff from Benefits and Revenues; Employee Costs £0.145m and Payment to Other Bodies (£0.145m)
- Realignment of budgets to reflect removal of Cambuslang Gate rent budget: Property Costs (£0.128m) and Payments to Other Bodies £0.128m.
- Realignment of support budgets; Property Costs (£0.533m), Administration Costs £3.489m and Payment to Other Bodies (£2.956m)
- Rationalisation of internal recharges: Payment to Other Bodies £1.405m and Income (£1.405m).