

## South Lanarkshire Council

## Revenue Budget Monitoring Statement

Period Ended 31 March 2020 (No.14)

## Housing and Technical Resources

## Service Departments :-

Housing Services

Property Services

COVID-19

**Position before Transfers to Reserves**

Transfers to Reserves as at 31/03/20

**Position After Transfers to Reserves at 31/03/20**

Annual Budget	Forecast for Year BEFORE Transfers	Annual Forecast Variance BEFORE Transfers	Annual Forecast Variance AFTER Transfers	Budget Proportion to 31/03/20	Actual to Period 14 to 31/03/20 BEFORE Transfers	Variance to 31/03/20 BEFORE Transfers
£m	£m	£m	£m	£m	£m	£m
8.524	8.205	0.319	0.066	8.524	7.998	0.526 under
8.827	8.893	(0.066)	(0.066)	8.827	8.919	(0.092) over
0.000	0.000	0.000	0.000	0.000	0.033	(0.033) over
<b>17.351</b>	<b>17.098</b>	<b>0.253</b>	<b>0.000</b>	<b>17.351</b>	<b>16.950</b>	<b>0.401 under</b>
				0.000	0.434	(0.434) over
				<b>17.351</b>	<b>17.384</b>	<b>(0.033) over</b>

### **Housing and Technical Resources (excl HRA) Variance Analysis 2019/20 (Period 14)**

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Employee Costs	431k under	APT&C Basic / Overtime / Superannuation / National Insurance - 947k under	Property Services - 778k 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 - (529k) over	Property Services - (532k) over	This reflects the requirement for overtime to meet service demands.
Property Costs	437k under	Rates - 284k under	Property Services - 258k under	The underspend relates to one-off refunds for rebates in respect of previous financial years.
		<u>Other Accommodation Costs - 58k under</u>	<u>Housing Services - 58k under</u>	This reflects the level of leased properties being lower than anticipated.
		Repairs and Maintenance - Internal and External Contractors and Life Cycle Maintenance - (31k) over	Housing Services - (56k) over	This overspend varies and is due to repairs for Homeless properties which are demanded. This has been managed within the overall budget.
		<u>Rent W/o Unlet Periods - 68k under</u>	<u>Housing Services - 52k under</u>	This reflects the level of void rents for Homelessness being lower than anticipated.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Property Costs (cont)		Rent W/o Bad Periods - 162k under	Housing Services - 288k under  Property Services - (126k) over	This underspend relates to the change in profile of temporary accommodation and better than expected collection rates for rental income.  The Estates bad debt provision is higher than anticipated due to the level of debts experienced in shopping centre leases.
Supplies and Services	2,246k under	<u>Computer Equipment Purchase and IT Equipment Maint Contract - 136k under</u>  Materials - 2,042k under	<u>Property Services - 121k under</u>  Property Services – 2,055k under	This reflects 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.  The level of materials varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works. The COVID-19 lockdown also resulted in a reduction in spend.
Transport and Plant	399k under	<u>Fleet Services - (110k) over</u>	<u>Property Services - (128k) over</u>	This overspend reflects the current level of Fleet required to deliver operations.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Transport and Plant (cont)		Hire of External Plant / Scaffolding / Skips - 480k under	Property Services - 480k under	The level of hires required varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works.
Payments to Other Bodies	(69k) over	<u>Payment to Other Bodies - (48k) over</u>  <u>Supporting People External Provider - 60k under</u>  <u>Assistance to Home Owners - (39k) over</u>	<u>Housing Services - (48k) over</u>  <u>Housing Services - 60k under</u>  <u>Property Services - (39k) over</u>	<p>This relates to expenditure on the Refugee Resettlement programme which is offset by an over recovery of income.</p> <p>This relates to the external provision of support contracts, where costs were lower than anticipated. A review of the contractual arrangements with suppliers has commenced.</p> <p>This reflects the cost of demand led adaptations for home owners and has been managed within the overall budget.</p>
Payments to Contractors	4,675k under	Payments to Private Contractors - 5,866k under	Property Services - 5,514k under	The level of contractor payments varies depending on the current workload demands and timing of works on a wide variety of capital and revenue works. The COVID-19 lockdown also has an impact on the level of spend.

Subjective Head	Variance	Subjective line	Service / amount	Explanation
Payment to Contractors (cont)		Payments to External Consultants - (1,191k) over	Property Services - (1,191k) over	This overspend reflects the requirement to purchase external professional services within the Projects team, to meet current service demands.
Income	(7,691k) under recovered	<u>Contributions from Other Bodies - 93k over recovered</u>  House Rents - (349k) under recovered  Recovery from Capital - (5,247k) under recovered  Recharges - Departments of the Authority - (2,115k) under recovered	<u>Housing Services - 93k over recovered</u>  Housing Services - (349k) under recovered  Property Services - (5,247k) under recovered  Property Services - (2,115k) under recovered	This reflects one off income to deliver specific projects with partners, including the Home Office for refugee resettlement.  The under recovery in rental income is due to the timing of properties becoming available for use as Homeless lets.  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. This COVID-19 lock down also resulted in an under recovery of income.  This income under recovery reflects the demand for HRA revenue repairs. The COVID-19 lock down had an impact on the level of income recovered in relation to repairs.

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

South Lanarkshire Council

Housing & Technical Resources - Total

Expenditure / Income Variance Trends 2019/20

	REVISED ANNUAL BUDGET 2019/20	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
EMPLOYEE COSTS				
APT & C BASIC	14,058	13,429	629	under
APT & C OVERTIME	183	220	(37)	over
APT & C SUPERANNUATION	2,721	2,492	229	under
APT & C NIC	1,469	1,343	126	under
MANUAL BASIC	17,032	17,021	11	under
MANUAL OVERTIME	1,033	1,526	(493)	over
MANUAL SUPERANNUATION	3,267	3,186	81	under
MANUAL NIC	1,718	1,846	(128)	over
TRAVEL AND SUBSISTENCE	26	23	3	under
OTHER EMPLOYEE COSTS	138	126	12	under
PENSION INCREASES	602	596	6	under
ADDITIONAL PENSION COSTS	13	21	(8)	over
<b>EMPLOYEE COSTS</b>	<b>42,260</b>	<b>41,829</b>	<b>431</b>	<b>under</b>
PROPERTY COSTS				
RATES	2,117	1,833	284	under
SCOTTISH WATER - UNMETERED CHARGES	38	12	26	under
SCOTTISH WATER - METERED CHARGES	261	251	10	under
RENT	1,388	1,395	(7)	over
SERVICE CHARGE	123	128	(5)	over
FACTORING CHARGES	9	3	6	under
OTHER ACCOMMODATION COSTS	2,287	2,229	58	under
BED AND BREAKFAST	27	15	12	under
PROPERTY INSURANCE	296	249	47	under
SECURITY COSTS	309	303	6	under
GROUND MAINTENANCE	52	60	(8)	over
GROUNDS MAINTENANCE ADDITIONAL WORKS	10	7	3	under
REPAIRS & MAINTENANCE - INTERNAL CONTRACTOR	2,445	2,440	5	under
LIFE CYCLE MAINTENANCE	3,648	3,661	(13)	over
REPAIRS & MAINTENANCE - EXTERNAL CONTRACTOR	814	837	(23)	over
HOUSING - RENT FREE ACCOMMODATION	0	21	(21)	over
HOUSING - RENT W/O UNLET PERIODS	643	575	68	under
HOUSING - RENT W/O BAD PERIODS	905	743	162	under
ASBESTOS	0	5	(5)	over
ELECTRICITY - CONTRACT	985	1,026	(41)	over
ELECTRICITY - NON CONTRACT	24	23	1	under
GAS	227	263	(36)	over
HEATING OIL	6	12	(6)	over
FIXTURE & FITTINGS	667	654	13	under
JANITOR SERVICE	152	152	0	-
CLEANING CONTRACT	316	326	(10)	over
CLEANING OUTWITH CONTRACT	0	14	(14)	over
CLEANING MATERIALS	10	12	(2)	over
WINDOW CLEANING	2	3	(1)	over
PEST CONTROL	3	5	(2)	over
REFUSE UPLIFT	405	405	0	-
REMOVAL & STORAGE COSTS	16	56	(40)	over
OTHER PROPERTY COSTS	501	524	(23)	over
OFFICE ACCOM-FACILITIES MANAGEMENT	1,117	1,119	(2)	over
ACCOMMODATION RECHARGE TO USERS	33	38	(5)	over
<b>PROPERTY COSTS</b>	<b>19,836</b>	<b>19,399</b>	<b>437</b>	<b>under</b>

South Lanarkshire Council

Housing & Technical Resources - Total

Expenditure / Income Variance Trends 2019/20

	REVISED ANNUAL BUDGET 2019/20	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
SUPPLIES AND SERVICES				
COMPUTER EQUIPMENT PURCHASE	553	499	54	under
COMPUTER EQUIPMENT MAINTENANCE	6	1	5	under
I.T. EQUIPMENT MAINT-CONTRACT	145	63	82	under
EQUIPMENT AND OTHER TOOLS	47	8	39	under
SMALL TOOLS	0	12	(12)	over
ADAPTATIONS FOR CLIENTS	500	500	0	-
FURNITURE - OFFICE	0	3	(3)	over
FURNITURE - GENERAL	20	20	0	-
FURNISHINGS	0	0	0	-
MATERIALS	12,637	10,595	2,042	under
STOCK/STORE ISSUES	0	0	0	-
MATERIALS, APPARATUS AND EQUIPMENT	0	3	(3)	over
AUDIO VISUAL	10	4	6	under
PUBLICATIONS, JOURNALS, NEWSPAPERS ETC	2	0	2	under
TV LICENCES - EDUCATION	1	1	0	-
FOODSTUFFS - GENERAL	2	3	(1)	over
PROTECTIVE CLOTHING & UNIFORMS	45	50	(5)	over
LAUNDRY COSTS	0	1	(1)	over
OTHER SUPPLIES AND SERVICES	103	67	36	under
HEALTH AND SAFETY	0	2	(2)	over
CATERING - CONTRACT	1	0	1	under
OUTSOURCED MAIL	6	7	(1)	over
BULK BUYING DISCOUNT	0	(7)	7	under
<b>SUPPLIES AND SERVICES</b>	<b>14,078</b>	<b>11,832</b>	<b>2,246</b>	<b>under</b>
TRANSPORT AND PLANT				
PURCHASE OF PLANT	125	128	(3)	over
FLEET SERVICES - FUEL	0	(1)	1	under
POOL CAR RECHARGE - RENTAL CHARGE	100	90	10	under
POOL CAR RECHARGE - FUEL	26	15	11	under
POOL CAR RECHARGE - ADDITIONAL CHARGES	1	1	0	-
OTHER TRANSPORT COSTS	7	14	(7)	over
INSURANCE	44	44	0	-
PLANT SERVICES	7	1	6	under
FLEET SERVICES - REPAIRS	0	1	(1)	over
FLEET SERVICE CHARGES - VEHICLE MAINTENANCE	334	404	(70)	over
FLEET SERVICE CHARGES - UNSCHEDULED LABOUR	1	9	(8)	over
FLEET SERVICE CHARGES - ASSET MODIFICATION	15	52	(37)	over
FLEET SERVICE CHARGES - PLANT MAINTENANCE	7	4	3	under
FLEET SERVICE CHARGES - LEASING	1,395	1,540	(145)	over
FLEET SERVICE CHARGES - HIRED VEHICLES	206	75	131	under
FLEET SERVICE CHARGES - CONTRACT HIRE	48	2	46	under
FLEET SERVICE CHARGES - ROAD FUND LICENCES	116	230	(114)	over
FLEET SERVICE CHARGES - FUEL	786	702	84	under
HIRE OF EXTERNAL PLANT	257	224	33	under
HIRE OF SCAFFOLDING	1,077	560	517	under
HIRE OF SKIPS	33	103	(70)	over
TAXI CHARGES - CONTRACTED	11	5	6	under
TAXI CHARGES	6	0	6	under
<b>TRANSPORT AND PLANT</b>	<b>4,602</b>	<b>4,203</b>	<b>399</b>	<b>under</b>

South Lanarkshire Council

Housing & Technical Resources - Total

Expenditure / Income Variance Trends 2019/20

	REVISED ANNUAL BUDGET 2019/20	PERIOD 14 ACTUAL TO DATE	PERIOD 14 VARIANCE AMOUNT	Over/ Under
ADMINISTRATION				
PRINTING AND STATIONERY	87	87	0	-
TELEPHONES	95	64	31	under
MOBILE PHONES	38	81	(43)	over
ADVERTISING - OF COUNCIL SERVICE AVAILABILITY	7	6	1	under
ADVERTISING - OTHER	6	2	4	under
POSTAGES/COURIERS	24	31	(7)	over
MEMBERSHIP FEES/SUBSCRIPTIONS	16	30	(14)	over
INSURANCE	217	210	7	under
MEDICAL COSTS	43	58	(15)	over
LEGAL EXPENSES	16	10	6	under
PETTY OUTLAYS	15	18	(3)	over
HOSPITALITY	0	0	0	-
OTHER ADMIN COSTS	11	8	3	under
TRAINING	6	2	4	under
INTERNAL SUPPORT SERVICES ALLOCATION	457	457	0	-
CENTRAL ADMINISTRATION	2,708	2,709	(1)	over
<b>ADMINISTRATION</b>	<b>3,746</b>	<b>3,773</b>	<b>(27)</b>	<b>over</b>
PAYMENT TO OTHER BODIES				
OTHER COMMITTEES OF THE AUTHORITY	2,498	2,508	(10)	over
OTHER LOCAL AUTHORITIES	0	0	0	-
PAYMENTS TO OTHER BODIES	857	905	(48)	over
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	2,060	2,099	(39)	over
PRIVATE INDIVIDUALS - GENERAL	0	22	(22)	over
<b>PAYMENT TO OTHER BODIES</b>	<b>8,406</b>	<b>8,475</b>	<b>(69)</b>	<b>over</b>
PAYMENT TO CONTRACTORS				
PAYMENT TO PRIVATE CONTRACTOR	18,693	12,827	5,866	under
PAYMENT TO EXTERNAL CONSULTANTS	231	1,422	(1,191)	over
<b>PAYMENT TO CONTRACTORS</b>	<b>18,924</b>	<b>14,249</b>	<b>4,675</b>	<b>under</b>
FINANCING CHARGES				
I.T. EQUIPMENT LEASING-CONTRACT	152	154	(2)	over
INTEREST ON REVENUE BALANCES	2	0	2	under
<b>FINANCING CHARGES</b>	<b>154</b>	<b>154</b>	<b>0</b>	<b>-</b>
<b>TOTAL EXPENDITURE</b>	<b>112,006</b>	<b>103,914</b>	<b>8,092</b>	<b>under</b>
INCOME				
CONTRIBUTIONS FROM OTHER BODIES	(400)	(493)	93	over rec
SALES - DEPARTMENTS OF THE AUTHORITY	(606)	(581)	(25)	under rec
FEES AND CHARGES - GENERAL	(593)	(546)	(47)	under rec
FEES AND CHARGES - DEPARTMENTS OF THE AUTHORITY	(48)	(51)	3	over rec
RENTAL INCOME	(4,514)	(4,489)	(25)	under rec
HOUSE RENTS	(5,003)	(4,654)	(349)	under rec
INSURANCE RECOVERIES	0	(8)	8	over rec
OTHER INCOME	(3,533)	(3,537)	4	over rec
REALLOCATION OF CENTRAL SUPPORT COSTS	(1,004)	(1,005)	1	over rec
REALLOCATION OF SUPPORT COSTS	(2,210)	(2,218)	8	over rec
RECOVERY FROM CAPITAL	(39,703)	(34,456)	(5,247)	under rec
RECHARGES - DEPARTMENTS OF THE AUTHORITY	(36,943)	(34,828)	(2,115)	under rec
MANUAL RECHARGES - DEPARTMENTS OF THE AUTHORITY	(98)	(98)	0	-
<b>INCOME</b>	<b>(94,655)</b>	<b>(86,964)</b>	<b>(7,691)</b>	<b>under rec</b>
<b>NET EXPENDITURE</b>	<b>17,351</b>	<b>16,950</b>	<b>401</b>	<b>under</b>