



To: Housing and Community Safety Policy Board

On: 12 May 2015

Report by: Director of Finance and Resources and Director of Development and Housing Services

Heading: Revenue Budget Monitoring to 27 February 2015

1. Summary

1.1 Gross expenditure is £680,000 (1.0%) under budget and income is £642,000 (0.7%) less than budget which results in an underspend position of £38,000 for those services reporting to this Policy Board.

This is summarised over the relevant services in the table below:

Division / Department	Current Reported Position	% variance	Previously Reported Position	% variance
HRA	Breakeven	-	Breakeven	-
Other Housing	£38,000 underspend	0.6%	£41,000 underspend	0.9%

2. Recommendations

2.1 Members are requested to note the budget position

2.2 Members are requested to note that since the last report there have been budget realignments of £690,000 related to additional Discretionary Housing Payments funding from the Scottish Government.

3.

Housing Revenue Account

Current Position:

Breakeven

Previously Reported:

Breakeven

The current breakeven position principally reflects underspends in the expenditure categories of Employee Costs, Supplies and Services, Payments to Other Bodies and Capital Charges being offset by an increase in CFCR (Property Costs) and lower income levels as detailed below.

Employee Costs

The current underspend of £354,000 within Employee Costs is mainly due to vacancies which have occurred within the service over the course of the year.

Property Costs

The additional expenditure of £907,000 relates to the agreed strategy of using underspends within the HRA and Capital from Current Revenue to reduce new debt and to smooth debt repayments to support the sustainable delivery of the Business Plan.

Supplies and Services

The current underspend of £75,000 has arisen due to lower than expected levels of expenditure on information technology and office equipment.

Payments to Other Bodies

The underspend of £892,000 is mainly due to two main factors. The first is the level of irrecoverable rent being lower than budget by £369,000 due to the expected Welfare Reform pressures resulting from under-occupancy and Universal Credit not materialising as quickly as anticipated. The Bad Debt Provision continues to be updated to ensure that the forecast remains up to date, whilst maintaining a prudent approach.

The second factor is the lower than expected expenditure levels against Welfare Reform budgets mainly as a result of the streamlining of the Discretionary Housing Payment (DHP) process and the additional resources made available, which has resulted in an underspend of £550,000 at this stage in the financial year. Any in year underspend will be carried forward through HRA reserves at the year end for use in future years.

Capital Charges

The underspend of £310,000 is due to the capital charges being lower than projected.

Income

The under-recovery of £631,000 mainly reflects the reduced drawdown from balances in respect of Welfare Reform budgets as referenced under Payments to Other Bodies (£550,000) and a reduced level of recovery on professional fees (£110,000) due to vacancies.

3.1 Projected Year End Position

At this stage in the financial year, it is projected that the HRA will achieve a breakeven position at the year end. Projected underspends will be offset by a corresponding increase in the planned CFCR contribution.

4. Other Housing

Current Position:	Net underspend of £38,000
Previously Reported:	Net underspend of £41,000

The current net underspend of £38,000, mainly reflects an underspend in Employee Costs of £31,000 which has resulted from vacancies experienced over the course of the financial year.

4.1 Projected Year End Position

It is anticipated at this stage that the Other Housing year end position will be an underspend of £375,000 as a result of an improved outturn position on the Council's Housing Benefit subsidy position reflecting proactive work undertaken to mitigate any loss in subsidy relating to changes associated with temporary and supported accommodation arrangements.

Implications of the Report

- 1. Financial** – Net revenue expenditure will be contained within available resources.
- 2. HR & Organisational Development** - none
- 3. Community Planning** – none

4. **Legal** - none
5. **Property/Assets** - none
6. **Information Technology** - none.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – none
9. **Procurement** – none
10. **Risk** – none
11. **Privacy Impact** - none

Author: David Forbes, Ext 6424

REVENUE BUDGET MONITORING STATEMENT 2014/2015
1st April 2014 to 27 February 2015

POLICY BOARD : HOUSING AND COMMUNITY SAFETY

Description (1)	£000's	Revised Annual Budget (2)	Revised Period Budget (3)	Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance (7)	
		£000's	£000's	£000's	£000's	£000's	£000's	%
Employee Costs	10,080	8,714	8,313	16	8,329	385	4.4%	underspend
Property Costs	62,951	55,297	72,737	(16,533)	56,204	(907)	-1.6%	overspend
Supplies & Services	384	282	199	2	201	81	28.7%	underspend
Contractors and Others	23	14	96	0	96	(82)	-585.7%	overspend
Transport & Plant Costs	35	28	25	0	25	3	10.7%	underspend
Administration Costs	6,320	462	469	7	476	(14)	-3.0%	overspend
Payments to Other Bodies	7,475	4,694	3,766	24	3,790	904	19.3%	underspend
CFCR	0	0	0	0	0	0	0.0%	breakeven
Capital Charges	19,720	588	278	0	278	310	52.7%	underspend
GROSS EXPENDITURE	106,988	70,079	85,883	(16,484)	69,399	680	1.0%	underspend
Income	(100,672)	(90,021)	(107,211)	17,832	(89,379)	(642)	-0.7%	under-recovery
NET EXPENDITURE	6,316	(19,942)	(21,328)	1,348	(19,980)	38	0.2%	over-recovery

£000's

Bottom Line Position to 27 February 2015 is an underspend of

0.2%

Anticipated Year End Budget Position is an underspend of

5.9%

38

375

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2014/2015
1st April 2014 to 27 February 2015

POLICY BOARD : HOUSING AND COMMUNITY SAFETY

Description (1)	£000's	Revised Annual Budget (2)	Revised Period Budget (3)	Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance (7)		
		£000's	£000's	£000's	£000's	£000's	£000's	%	
Housing Revenue Account		0	(19,783)	(22,059)	2,276	(19,783)	0	0.0%	breakeven
Other Housing		6,316	(159)	731	(928)	(197)	38	23.9%	over-recovery
NET EXPENDITURE		6,316	(19,942)	(21,328)	1,348	(19,980)	38	0.2%	over-recovery

Bottom Line Position to 27 February 2015 is an underspend of	£000's
	38
Anticipated Year End Budget Position is an underspend of	375

0.2%
5.9%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2014/2015
1st April 2014 to 27 February 2015

POLICY BOARD : HOUSING AND COMMUNITY SAFETY : HOUSING REVENUE ACCOUNT

Description (1)	£000's	Revised Annual Budget (2)	Revised Period Budget (3)	Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance (7)		
		£000's	£000's	£000's	£000's	£000's	£000's	%	
Employee Costs		8,740	7,569	7,215	0	7,215	354	4.7%	underspend
Property Costs		16,968	13,373	12,057	2,223	14,280	(907)	-6.8%	overspend
Supplies & Services		365	272	195	2	197	75	27.6%	underspend
Contractors and Others		23	14	96	0	96	(82)	-585.7%	overspend
Transport & Plant Costs		35	28	25	0	25	3	10.7%	underspend
Administration Costs		3,085	454	468	0	468	(14)	-3.1%	overspend
Payments to Other Bodies		5,457	4,016	3,124	0	3,124	892	22.2%	underspend
CFCR		0	0	0	0	0	0	0.0%	breakeven
Capital Charges		19,720	588	278	0	278	310	52.7%	underspend
GROSS EXPENDITURE		54,393	26,314	23,458	2,225	25,683	631	2.4%	underspend
Income		(54,393)	(46,097)	(45,517)	51	(45,466)	(631)	-1.4%	under-recovery
NET EXPENDITURE		0	(19,783)	(22,059)	2,276	(19,783)	0	0.0%	breakeven

£000's

0.0%

Bottom Line Position to 27 February 2015 is breakeven of

0

0.0%

Anticipated Year End Budget Position is breakeven of

0

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2014/2015
1st April 2014 to 27 February 2015

POLICY BOARD : HOUSING AND COMMUNITY SAFETY : OTHER HOUSING

Description (1)	£000's	Revised Annual Budget (2)	Revised Period Budget (3)	Actual (4)	Adjustments (5)	Revised Actual (6) = (4 + 5)	Budget Variance (7)	
		£000's	£000's	£000's	£000's	£000's	£000's	%
Employee Costs		1,340	1,145	1,098	16	1,114	31	2.7%
Property Costs		45,982	41,923	60,680	(18,757)	41,923	0	0.0%
Supplies & Services		19	10	4	0	4	6	60.0%
Contractors and Others		0	0	0	0	0	0	0.0%
Transport & Plant Costs		0	0	0	0	0	0	0.0%
Administration Costs		3,235	8	1	7	8	0	0.0%
Payments to Other Bodies		2,018	678	641	25	666	12	1.8%
CFCR		0	0	0	0	0	0	0.0%
Capital Charges		0	0	0	0	0	0	0.0%
GROSS EXPENDITURE		52,594	43,764	62,424	(18,709)	43,715	49	0.1%
Income		(46,278)	(43,923)	(61,693)	17,781	(43,912)	(11)	0.0%
NET EXPENDITURE		6,316	(159)	731	(928)	(197)	38	0.6%

Bottom Line Position to 27 February 2015 is an underspend of 0.6%

Anticipated Year End Budget Position is an underspend of 5.9%