
To: Housing and Community Safety Policy Board

On: 17 May 2016

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

Heading: Revenue Budget Monitoring to 4 March 2016

1. **Summary**

- 1.1 Gross expenditure is £154,000 (0.1%) under budget and income is £154,000 (0.1%) less than anticipated which results in a **net breakeven position** for the 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	Breakeven	-	Breakeven	-

2. **Recommendations**

- 2.1 Members are requested to note the budget position
- 2.2 Members are requested to note there have been net budget realignments of £94,232 processed since the last report related to the reallocation of previously agreed savings and the realignment of Chief Officer budgets across Development and Housing Services.
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3.

Housing Revenue Account

Current Position:

Breakeven

Previously Reported:

Breakeven

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

The increase in Capital Funded from Current Revenue (CFCR) to offset underspends is in line with 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 sustainability of the HRA.

Employee Costs

The current underspend of £222,000 within Employee Costs represents vacancies which have occurred in the service over the course of the financial year.

Property Costs

The additional expenditure in Property Costs of £1,331,000 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. Utilities costs within Property Services are underspent due to the new biomass heating systems becoming operational during the year.

Payments to Other Bodies

The underspend of £458,000 mainly reflects lower than expected levels of irrecoverable rent and voids. The underspend of c. £185,000 in irrecoverable rent has resulted from the pressures expected following the implementation of 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 underspend in voids (c. £196,000) reflects the lower turnaround times resulting from the continuous improvement in the management of voids.

Capital Charges

The underspend of £781,000 is due to the capital charges being lower than projected.

Income

The under-recovery of £143,000 mainly reflects the reduced income levels from charges associated with the implementation of the new biomass heating systems as referenced in Property Costs.

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:	Breakeven
<i>Previously Reported:</i>	<i>Breakeven</i>

The Other Housing account reflects a breakeven position with no significant variances to report on any of the budget categories.

4.1 Projected Year End Position

It is anticipated at this stage that the Other Housing year end position will be an underspend of £292,000 as a result of an improved outturn position on the Council's Housing Benefit subsidy position and reduced Housing Strategy costs.

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
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RENFREW/SHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 04 March 2016

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		9,498	8,191	7,883	83	7,966	225	2.7%
Property Costs		80,737	75,330	72,466	4,190	76,656	(1,326)	-1.8%
Supplies & Services		380	267	397	(181)	216	51	19.1%
Contractors and Others		66	61	120	(17)	103	(42)	-68.9%
Transport & Plant Costs		36	30	25	0	25	5	16.7%
Administration Costs		6,320	475	468	6	474	1	0.2%
Payments to Other Bodies		6,048	3,960	3,583	(81)	3,502	458	11.6%
CFCR		0	0	0	0	0	0	0.0%
Capital Charges		20,957	19,346	20	18,544	18,564	782	4.0%
GROSS EXPENDITURE		124,042	107,660	84,962	22,544	107,506	154	0.1%
		(118,214)	(106,552)	(106,282)	(116)	(106,398)	(154)	-0.1%
Income								
NET EXPENDITURE		5,828	1,108	(21,320)	22,428	1,108	0	0.0%
								break-even

£000's

0.0%

5.0%

Bottom Line Position to 04 March 2016 is break-even of

Anticipated Year End Budget Position is an underspend of

RENFREW/SHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 04 March 2016

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	(2,624)	(25,252)	22,628	(2,624)	0	0.0%	breakeven
Other Housing		5,828	3,731	3,932	(201)	3,731	0	0.0%	breakeven
NET EXPENDITURE		5,828	1,107	(21,320)	22,427	1,107	0	0.0%	breakeven

Bottom Line Position to 04 March 2016 is breakeven of
Anticipated Year End Budget Position is an underspend of

£000's	0.0%
<u>0</u>	<u>5.0%</u>
<u>292</u>	

RENFREW'SHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 04 March 2016

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		7,714	6,662	6,340	100	6,440	222	3.3%	underspend
Property Costs		16,165	13,953	11,042	4,242	15,284	(1,331)	-9.5%	overspend
Supplies & Services		324	244	192	0	192	52	21.3%	underspend
Contractors and Others		23	18	61	0	61	(43)	-238.9%	overspend
Transport & Plant Costs		17	12	8	0	8	4	33.3%	underspend
Administration Costs		3,124	462	462	0	462	0	0.0%	breakeven
Payments to Other Bodies		4,022	3,055	2,589	8	2,597	458	15.0%	underspend
CFCR		0	0	0	0	0	0	0.0%	breakeven
Capital Charges		20,957	19,345	20	18,544	18,564	781	4.0%	underspend
GROSS EXPENDITURE		52,346	43,751	20,714	22,894	43,608	143	0.3%	underspend
Income		(52,346)	(46,375)	(45,966)	(266)	(46,232)	(143)	-0.3%	under-recovery
NET EXPENDITURE		0	(2,624)	(25,252)	22,628	(2,624)	0	0.0%	breakeven

£000's

0
(0)

Bottom Line Position to 04 March 2016 is breakeven of 0.0%
 Anticipated Year End Budget Position is breakeven of 0.0%

RENFREWSHIRE COUNCIL
REVENUE BUDGET MONITORING STATEMENT 2015/2016
1st April 2015 to 04 March 2016

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		1,784	1,529	1,543	(17)	1,526	3	0.2%
Property Costs		64,572	61,377	61,424	(52)	61,372	5	0.0%
Supplies & Services		56	24	205	(181)	24	0	0.0%
Contractors and Others		43	43	60	(17)	43	0	0.0%
Transport & Plant Costs		19	18	18	0	18	0	0.0%
Administration Costs		3,196	12	6	6	12	0	0.0%
Payments to Other Bodies		2,026	904	993	(89)	904	0	0.0%
CFCR		0	0	0	0	0	0	0.0%
Capital Charges		0	0	0	0	0	0	0.0%
GROSS EXPENDITURE		71,696	63,907	64,249	(350)	63,899	8	0.0%
Income		(65,868)	(60,176)	(60,317)	149	(60,168)	(8)	0.0%
NET EXPENDITURE		5,828	3,731	3,932	(201)	3,731	0	0.0%

Bottom Line Position to 04 March 2016 is breakeven of
Anticipated Year End Budget Position is an underspend of

£000's	
0	0.0%
292	5.0%