

SPECIAL HOUSING

NORTH LANARKSHIRE COUNCIL
REPORT

To HOUSING COMMITTEE	Subject: 1996/97 REVENUE ESTIMATES - NON-HRA HOUSING BENEFITS	
From: DIRECTOR OF FINANCE		
Date: 27 February 1996	Ref: JV/EMcC/nl/ account/30	

1. INTRODUCTION

1.1. Members will recall that stage 1 budgets were submitted to the appropriate Service Committees during the months of November and December. These budgets were determined by taking the 1995/96 notional budgets for the constituent authorities and uprating them to take account of the following:-

- (a) the full year effect of 1995/96 awards
- (b) salary increments due on 1 April 1996
- (c) the effect of the increase in employer's superannuation contributions
- (d) updated loan charges for 1996/97
- (e) the revenue consequences for 1996/97 of policy decisions taken by, and of capital projects implemented by, the merging authorities

2. BUDGET ADJUSTMENTS

Since then further adjustments have been made in recognition of new and updated information becoming available. Furthermore, issues raised as a consequence of re-organisation shortfalls and new legislative requirements have been recognised and these have also been incorporated into the revenue estimates.

3. BUDGET SUMMARY

In order to provide Committee with all the relevant amendments to the notional and updated budgets, the following are attached:-

- Appendix 1 - summary of departmental budget
- Appendix 2 - approved/unavoidable increases to 1995/96 notional budget
- Appendix 3 - adjustments as a result of re-organisation shortfall, new legislation etc.
- Appendix 4 - expenditure outwith capping
- Appendix 5 - inter department movements
- Appendix 6 - savings options

With regards to Appendix 6, departments were requested to provide a list of savings options necessitated by the need to reduce spending levels to the Government's capping limit. The Committee is requested to approve a range of savings measures from this list which will contribute to the Council's overall net expenditure reduction on the understanding that the savings are weighted in accordance with the additional costs contained in Appendix 2..

4. APPROVAL OF REVENUE ESTIMATES

The Committee is asked to adopt the enclosed 1996/97 revenue budget subject to:

- (a) adjustment to incorporate approved savings
- (b) provision for 1996/97 pay award. No other general inflationary increase is recommended
- (c) a reduction in employee costs for staff turnover (£1 million is recommended across all departments)
- (d) further revision of central administration costs and their apportionment
- (e) revision of accommodation costs in light of departmental requirements
- (f) re-alignment between expenditure headings (and in some cases between departments) as necessary.



DIRECTOR OF FINANCE

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT :

HOUSING NON - HRA

	£000	£000
1995/96 NOTIONAL BUDGET		489
ADD :		
(1) APPROVED / UNAVOIDABLE INCREASES TO 1995/96 NOTIONAL BUDGET (SEE APPENDIX 2)	<u>-632</u>	
(2) ADJUSTMENTS AS A RESULT OF RE-ORGANISATION SHORTFALLS AND NEW LEGISLATION (SEE APPENDIX 3)	<u> </u>	<u>-632</u>
1996/97 CAPPING ASSESSED EXPENDITURE (SEE FOOTNOTE)		-143
ADD :		
(1) EXPENDITURE OUTWITH CAPPING (SEE APPENDIX 4)	<u>480</u>	
(2) MOVEMENTS BETWEEN DEPARTMENTAL BUDGETS (SEE APPENDIX 5)	<u> </u>	
(3) LOAN AND LEASING COSTS	<u>2693</u>	<u>3173</u>
TOTAL 1996/97 DEPARTMENTAL BUDGET		3030
FOOTNOTE : 1996/97 G.A.E.		438

N.B. Does not yet include :-

- (a) Approved savings
- (b) Pay award
- (c) Turnover savings
- (d) Revised central administration costs
- (e) New accommodation costs

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT : HOUSING NON-HRA

**APPROVED / UNAVOIDABLE INCREASES TO
1995/96 NOTIONAL BUDGETS**

		£000
1. Employee costs	- Increments and additional superannuation .	2
2. Travelling Peoples Site	- Increased costs of refurbished site at Mossend , offset by increased income .	44
	- Net reduction in income due to cessation of SRC Pooled Grant .	33
3. Increase in Homelessness costs .		9
4. Increase in expenditure as a result of work relating to CDC Wind up		28
5. Movement in Central Administration costs .		-71
6. Income increases	- Additional Home Loan Repayments	-14
	- Increased charges from HRA for Other Housing and Capital Works .	-22
7. Realignment of Central Support Loan Charges to Service departments.		-641

TOTAL APPENDIX 2

-632

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**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT : HOUSING NON -HRA

EXPENDITURE OUTWITH CAPPING

	£000
1. Slum Clearance and Other Housing .	424
2. Central Support Loan Charges .	56

TOTAL APPENDIX 4

480

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT :

HOUSING NON -HRA

SAVINGS OPTIONS

1. Homeless - Economies of scale in administration costs

21

2. Travelling Persons Site - Increased site charges already agreed by Housing Committee .

7

E000

TOTAL APPENDIX 6

28

NORTH LANARKSHIRE COUNCIL - 1996/97 BUDGETS

HOUSING NON-HRA

SUBJECTIVE ANALYSIS

DIVISION LEVEL £'000's	HOUSING NON-HRA							Total £'000's
	SLUM CL'ANCE	IMP/REP GRANTS	HOME LOANS	TRAV SITES	HOME- LESS	CAP WORKS	MISC.	
EMPLOYEE COSTS								
SALARIES	0	0	0	14	73	127	10	224
WAGES	0	0	0	41	1	0	0	42
SUPERANNUATION	0	0	0	1	1	4	2	8
NATIONAL INSURANCE	0	0	0	5	5	10	1	21
ALLOWANCES	0	0	0	0	0	0	0	0
OTHER EMPLOYEE COSTS	0	0	0	0	0	0	0	0
SUB - TOTAL	0	0	0	61	80	141	13	295
PROPERTY COSTS								
RATES	0	0	0	8	0	0	6	14
RENTS	0	0	0	0	24	0	0	24
INSURANCE	0	0	0	1	0	0	2	3
REPAIRS & MAINTENANCE	0	0	0	7	6	0	5	18
ALLOWANCES	0	0	0	0	0	0	0	0
UPKEEP OF GROUND	0	0	0	2	0	0	0	2
ENERGY COSTS	0	0	0	16	17	0	0	33
FIXTURE & FITTINGS	0	0	0	0	0	0	0	0
CLEANING	0	0	0	1	0	0	0	1
WATER CHARGES	0	0	0	0	0	0	0	0
UNLET HOUSES	5	0	0	0	0	0	0	5
APPORTIONED EXPENSES	0	0	0	0	0	0	0	0
SUB - TOTAL	5	0	0	35	47	0	13	100
SUPPLIES AND SERVICES								
EQUIPMENT	0	0	0	1		0	10	11
SUB - TOTAL	0	0	0	1	0	0	10	11
TRANSPORT AND PLANT								
PURCHASES	0	0	0	0	0	0	0	0
RUNNING COSTS	0	0	0	0	0	16	0	16
CONTRACT HIRE	0	0	0	0	0	0	0	0
TRANSPORT DEPT CHARGES	0	0	0	0	0	0	0	0
TRAVELLING EXPENSES	0	0	0	0	6	0	1	7
SUB - TOTAL	0	0	0	0	6	16	1	23
DIRECT ADMINISTRATION								
PRINTING STATIONERY ETC	0	0	0	0	3	3	3	9
TELEPHONES	0	0	0	2	2	2	0	6
SUBSISTENCE	0	0	0	0	0	7	0	7
TRAINING	0	0	0	0	0	0	0	0
CONFERENCES	0	0	0	0	0	0	0	0
INSURANCE	0	0	0	0	5	2	0	7
PROFESSIONAL FEES	2	7	0	1	0	0	0	10
OTHER	0	0	0	0	147	0	0	147
SUB - TOTAL	2	7	0	3	157	14	3	186
APPORTIONED EXPENSES	8	242	28	20	131	11	355	795
PAYMts AGENCIES & OTHER BODIES	0	0	0	0	0	0	22	22
CAPITAL FINANCING COSTS	98	1964	270	47	134	0	179	2692
GROSS EXPENDITURE	113	2213	298	167	556	182	596	4124
INCOME								
CUSTOMER & CLIENT RECEIPTS								
SALES	0	0	0	0	0	0	0	0
FEES & CHARGES	0	-6	-290	-51	-87	0	0	-434
RENTS	-22	0	0	0	-148	0	-86	-256
DEPARTMENTAL RECHARGES	0	0	0	0	0	-182	-222	-404
OTHER	0	0	0	0	0	0	0	0
	-22	-6	-290	-51	-235	-182	-308	-1094
NET EXPENDITURE	91	2207	8	116	320	0	288	3030

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT : HOUSING BENEFITS

	£000	£000
1995/96 NOTIONAL BUDGET		1246
ADD :		
(1) APPROVED / UNAVOIDABLE INCREASES TO 1995/96 NOTIONAL BUDGET (SEE APPENDIX 2)	-1	
(2) ADJUSTMENTS AS A RESULT OF RE-ORGANISATION SHORTFALLS AND NEW LEGISLATION (SEE APPENDIX 3)		-1
1996/97 CAPPING ASSESSED EXPENDITURE (SEE FOOTNOTE)		1245
ADD :		
(1) EXPENDITURE OUTWITH CAPPING (SEE APPENDIX 4)	2440	
(2) MOVEMENTS BETWEEN DEPARTMENTAL BUDGETS (SEE APPENDIX 5)		
(3) LOAN AND LEASING COSTS	2	2442
TOTAL 1996/97 DEPARTMENTAL BUDGET		3687
FOOTNOTE : 1996/97 G.A.E.		1772
<p>N.B. Does not yet include :-</p> <ul style="list-style-type: none"> (a) Approved savings (b) Pay award (c) Turnover savings (d) Revised central administration costs (e) New accommodation costs 		

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT :

HOUSING BENEFITS

APPROVED / UNAVOIDABLE INCREASES TO 1995/96 NOTIONAL BUDGETS	
	£000
1. Employee costs - increments and additional superannuation .	1
2. Reduction in postages .	-4
3. Reduction in car leasing .	-16
4. Movement in Central Administration costs	-25
5. Realignment of Central Support Loan Charges to Service Departments	43
TOTAL APPENDIX 2 :	-1

<p>NORTH LANARKSHIRE COUNCIL REVENUE ESTIMATES 1996/97</p>

DEPARTMENT :

HOUSING BENEFITS

EXPENDITURE OUTWITH CAPPING

	£000
1. Housing Benefits Payments	3061
2. Specific Grants .	-621

TOTAL APPENDIX 4

2440

**NORTH LANARKSHIRE COUNCIL
REVENUE ESTIMATES 1996/97**

DEPARTMENT :

HOUSING BENEFITS

SAVINGS OPTIONS	
1. Housing Benefits - Economies of scale in administration costs .	72
TOTAL APPENDIX 6	72

HOUSING BENEFITS

SUBJECTIVE ANALYSIS

DIVISION LEVEL £'000's	Housing Benefits	Total £'000's
EMPLOYEE COSTS		
SALARIES	145	145
WAGES	0	0
SUPERANNUATION	5	5
NATIONAL INSURANCE	13	13
ALLOWANCES	0	0
OTHER EMPLOYEE COSTS	0	0
SUB - TOTAL	163	163
SUPPLIES AND SERVICES		
EQUIPMENT	1	1
CLOTHING & UNIFORMS	0	0
LAUNDRY	0	0
SUB - TOTAL	1	1
TRANSPORT AND PLANT		
PURCHASES	0	0
RUNNING COSTS	0	0
CONTRACT HIRE	0	0
TRANSPORT DEPT CHARGES	0	0
TRAVELLING EXPENSES	7	7
SUB - TOTAL	7	7
DIRECT ADMINISTRATION		
PRINTING STATIONERY ETC	28	28
TELEPHONES	2	2
SUBSISTENCE	0	0
TRAINING	4	4
CONFERENCES	0	0
INSURANCE	0	0
PROFESSIONAL FEES	0	0
OTHER	0	0
SUB - TOTAL	34	34
APPORTIONED EXPENSES	1078	1078
HOUSING BENEFITS	52483	52483
COUNCIL TAX BENEFIT	0	
CAPITAL FINANCING COSTS	2	2
GROSS EXPENDITURE	53768	53768
INCOME		
GOVERNMENT GRANTS	-50043	-50043
OTHER GRANTS	0	0
CUSTOMER & CLIENT RECEIPTS		
SALES	0	0
FEES & CHARGES	0	0
RENTS	0	0
DEPARTMENTAL RECHARGES	-8	-8
OTHER	-30	-30
	-38	-38
NET EXPENDITURE	3687	3687