

NORTH LANARKSHIRE COUNCIL

REPORT

TO: HOUSING COMMITTEE	FROM: DIRECTOR OF FINANCE
Your Ref.	Ask for Mr J Milne Ext. 2200
My Ref. AN/YY	Date 4 SEPTEMBER 1996
Copied to:	Subject FINANCIAL MONITORING REPORT

Introduction

The Financial Monitoring Report attached sets out the position of the department's spending level against the approved budget for the period 1 April 1996 to 22 August 1996 (ie. 5 accounting periods).

The report contains only that expenditure which is within the department's direct control, and therefore excludes items such as loan charges, central administration recharges, and the central repairs account, each of which will be accounted for and reported by the appropriate charging department.

Background

The 1996/97 Revenue Budget was prepared at a time of major change within Local Government and in many cases, without the benefit of comparative prior year information and as such may not have been specifically based on the past needs of North Lanarkshire. With this in mind, the Committee is asked to note that the 1996/97 budgets continue to be re-aligned to reflect accurate provision, thereby entering the process of ongoing refinement.

Financial PerformanceHRA

The total underspend for the year to date is £231,013. A general underspend is shown over all expenditure heads, these being mainly delays in spending. The only true saving is that of £231,013 in employee costs, resulting from the restructuring of the department and the related vacancies. All other underspends should catch up towards the end of the year, with any definite over or underspends being reported to Committee.

Non HRA

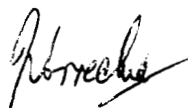
The total overspent for the year to date is £64,026. This is due mainly to an increase of £326,309 in Rent Allowance payments; the amalgamation of the three previous systems made actual allowances difficult to predict. This increase has been partially offset by an increase in Housing Benefit Grant received of £269,204. Other smaller overspends are explained on page 4.

Summary

Although it is as yet a relatively early stage in the financial year to comment on the overall financial performance, especially when departments are restructuring. The department is closely monitoring the current position to ensure that expenditure for 1996/97 is contained within the approved estimates and that the Repairs and Maintenance Budget is closely monitored to ensure maximum spend.

Recommendation

The Committee note the contents of this report.



DIRECTOR OF FINANCE

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 1996 To 22 August 1996

COMMITTEE : HOUSING

SERVICE : HRA

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCES			
					TOTAL (6)	TIMING (7)	ACTUAL (8)	(9)
£			£	£	£	£	£	%
8,671,109	1.	EMPLOYEE COSTS	3,330,033	3,099,020	231,013	0	231,013	0.1
34,470,230	2.	PROPERTY COSTS	13,567,561	9,310,838	4,256,723	4,256,723	0	0
966,730	3.	SUPPLIES AND SERVICES	446,730	380,254	66,476	66,476	0	0
399,715	4.	TRANSPORT & PLANT	103,609	100,216	3,393	3,393	0	0
1,520,330	5.	ADMINISTRATION COSTS	895,701	786,282	109,419	109,419	0	0
120,070	6.	PAYMENTS TO OTHER BODIES	39,655	9,352	30,303	30,303	0	0
493,615	7.	OTHER EXPENDITURE	2,250	25	2,225	2,225	0	0
46,641,799	8.	TOTAL EXPENDITURE	18,385,539	13,685,987	4,699,552	4,468,539	231,013	0.0
88,668,621	9.	INCOME	340,611	182,124	(158,487)	(158,487)	0	0
(42,026,822)	10.	NET EXPENDITURE	18,044,928	13,503,863	4,541,065	4,310,052	231,013	0.0

ANALYSIS OF THE MAJOR VARIANCES

1. EMPLOYEE COSTS - £231,013 Underspend**Salaries & Wages**

£			
13,320	Overspend	Pay award shortfall of .04%	
244,333	Underspend	Underspend in staff costs resulting from restructure and related vacancies	

231,013	Underspend
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2. PROPERTY COSTS - £4,256,723 note**Repairs & Maintenance**

£		
3,827,692	Underspend	Repairs & maintenance budget underspend should catch up at year end
429,031	Underspend	General underspend in other property costs

4,256,723

NORTH LANARKSHIRE COUNCIL

FINANCIAL MONITORING REPORT

1 April 1996 To 22 August 1996

COMMITTEE HOUSINGSERVICE : NON HRA

TOTAL BUDGET (1)	LINE NO. (2)	DESCRIPTION (3)	BUDGET TO DATE (4)	ACTUAL TO DATE (5)	VARIANCES			
					TOTAL (6)	TIMING (7)	ACTUAL (8)	(9)
£			£	£	£	£	£	%
473,350	1.	EMPLOYEE COSTS	183,034	173,185	9,849		9,849	0.1
98,045	2.	PROPERTY COSTS	34,295	5,503	28,792	28,792	0	0
13,075	3.	SUPPLIES AND SERVICES	5,130	493	4,637	4,637	0	0
30,520	4.	TRANSPORT & PLANT	11,420	8,281	3,139	3,139	0	0
196,745	5.	ADMINISTRATION COSTS	80,340	98,987	(18,647)	(1,877)	(16,770)	-0
5,050	6.	PAYMENTS TO OTHER BODIES	1,900	0	1,900	1,900	0	0
55,437,610	7.	TRANSFER PAYMENTS	3,174,880	3,501,189	(326,309)	0	(326,309)	-0
16,500	8.	OTHER EXPENDITURE	6,355	0	6,355	6,355	0	0
56,270,895	9.	TOTAL EXPENDITURE	3,497,354	3,787,638	(290,284)	42,946	(333,230)	-0
54,153,605	10.	INCOME	22,281,972	22,583,926	301,954	32,750	269,204	0.0
2,117,290	11.	NET EXPENDITURE	(18,784,618)	(18,796,288)	11,670	75,696	(64,026)	0.0

ANALYSIS OF THE MAJOR VARIANCES1. EMPLOYEE COSTS - £9,849 OverspendSalaries & Wages

£			
693	Overspend	Pay award shortfall of .04%	
24,617	Overspend	Overspend resulting from staff restructure which will be offset by a reduction in apportioned expenses	
		(Housing Benefit staff costs included within HRA budget and re-charged to NON-HRA apportioned expenses .)	
35,159	Underspend	Restructure of capital works employees , proportion now charged to H.R.A.	

9,849

2. ADMINISTRATION COSTS - £16,770 overspend

Increase in Bed & Breakfast costs for homeless .

3. TRANSFER PAYMENTS - £326,309 overspendActual Rent Allowance payments higher than anticipated
Allowances difficult to predict due to amalgamation of systems.4. INCOME - £269,204 over-recovery

Increase in Housing Benefit grant partially offsetting rent allowances .