

REPORT

To: HOUSING AND TECHNICAL SERVICES COMMITTEE		Subject: REVENUE BUDGET MONITORING REPORT PERIOD 1 APRIL 2001 - 14 SEPTEMBER 2001 NON HOUSING REVENUE ACCOUNT
From: DIRECTOR OF HOUSING & PROPERTY SERVICES		
Date: 27 September 2001	Ref: TMCK/IW/FD	

1. Introduction

- 1.1 The purpose of this report is to advise Committee on actual expenditure and income against estimates for the year to date and on the projected outturn. The report also provides explanations of the more significant outturn variances.

2. Summary of Budget Variances

The net expenditure for the period shows an underspend of £368,266 (15.01%). However, the projected outturn indicates an underspend of £343,933 (6.13%) at the year-end. This is a movement of £180,629 from the previous report to Committee and is mainly attributable to an increase in the Benefits underspend. An expenditure statement is appended to the report.

3. Explanation of Projected Outturn Variances

- 3.1 Employee Costs £165,000 Overspend

There is an anticipated overspend on overtime to meet the cost of Housing/Council Tax Benefits. This will be closely monitored and controlled for the remainder of the financial year.

3.2 Property Costs

- i. Expenditure for stair and communal lighting has exceeded budget taking account of the level of charges received from Scottish Power and maintenance costs. The budget will be reviewed in the budget setting exercise for 2002/2003. £40,000 Overspend
- ii. There is an anticipated underspend on the gardens assistance scheme which will be closely monitored for the rest of the year. £20,000 Underspend

3.3 Administration Costs

i. Bed and Breakfast

As a result of the reduction in the requirement for Bed and Breakfast facilities for homeless persons, an underspend has been projected. This, however, will be offset by an under-recovery in Housing Benefits. (See 3.5ii)

£50,000 Underspend

ii. Departmental Recharges (Internal) – Expenditure

It is anticipated, based on prior year figures that departmental recharges will be lower than budgeted. This issue will be addressed as part of next year's budget setting process.

£80,000 Underspend

3.4 Benefits Payments/Income

The net underspend on benefits is a continuation of the previous year's outturn position. A reducing caseload particularly for Council Tax has occurred, due partly to the Verification Framework. It is expected that this underspend will be reduced to some extent by additional payments that will be made this year for Supporting People. The extent of this is being assessed and will be included when available. This budget will continue to be carefully monitored.

£275,000 Underspend

3.5 Income

The total projected over-recovery of £124,000 (excluding Benefits – see 3.4) is attributable to the following:

i. Reduction in the level of Administration Subsidy from the DSS.

£36,000 Under-recovery

ii. A reduction in both Bed and Breakfast requirements and some under-occupancy at Travelling Persons Sites have resulted in reduced benefit payments. (See 3.3 i).

£70,000 Under-recovery

iii. An increase in the level of Housing Rebates and Rent Allowances overpayments is anticipated.

£200,000 Over-recovery

iv. Premature repayments of home loans have occurred giving rise to an anticipated over-recovery of income.

£30,000 Over-recovery

4. Financial Concurrence

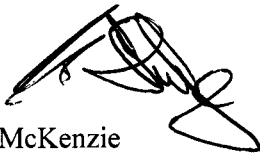
The Director of Finance concurs with the financial information contained in this report and has been fully involved in its preparation.

5. Summary

A number of variances have been identified at this stage in the financial year which have resulted in a net underspend. The most significant of these is for Benefits. All variances will continue to be monitored as necessary throughout the rest of this year and reported on accordingly.

6. Recommendation

It is recommended that the Committee notes the contents of this report.

A handwritten signature in black ink, appearing to read 'T McKenzie', with a stylized flourish at the end.

T McKenzie
Director of Housing & Property Services

FINANCIAL MONITORING REPORT

1 April 2000 to 14 September 2000

COMMITTEE: HOUSING AND PROPERTY SERVICES

SERVICE: NON-HRA

(Improvement and Repair Grants, Capital Works, Homeless, Home Loans, Travelling Persons Sites and Benefits)

LINE NO. (1)	DESCRIPTION (2)	BUDGET TO DATE (3)	ACTUAL TO DATE (4)	YEAR TO DATE VARIANCES (5)		% (6)	ANNUAL BUDGET (7)	PROJECTED OUTFURN (8)	PROJECTED OUTFURN VARIANCES (9)		% (10)
		£	£	£			£	£	£		
1.	EMPLOYEE COSTS	769,819	938,981	(169,162)	Overspend	-22%	1,768,916	1,933,916	(165,000)	Overspend	-9%
2.	PROPERTY COSTS	488,636	361,748	126,888	Underspend	26%	973,301	993,301	(20,000)	Overspend	-2%
3.	SUPPLIES AND SERVICES	44,394	43,826	568	Underspend	1%	96,100	96,100	0		
4.	TRANSPORT & PLANT	15,852	14,911	941	Underspend	6%	34,300	34,300	0		
5.	ADMINISTRATION COSTS	83,349	47,408	35,941	Underspend	43%	823,877	693,877	130,000	Underspend	16%
6.	PAYMENTS TO OTHER BODIES	0	0	0			60,000	60,000	0		
7.	HOUSING/ COUNCIL TAX BENEFIT	44,323,284	42,892,786	1,430,498	Underspend	3%	96,423,294	93,582,430	2,840,864	Underspend	3%
8.	APPORTIONED EXPENSES	0	0	0			0	0	0		
9.	CAPITAL FINANCING CHARGES	0	0	0			85,000	85,000	0		
10.	OTHER	252	386	(134)	Overspend	-53%	550	550	0		
11.	TOTAL EXPENDITURE	45,725,586	44,300,046	1,425,540	Underspend	3.12%	100,265,338	97,479,474	2,785,864	Underspend	2.78%
12.	GOVERNMENT GRANTS	42,038,535	40,742,039	(1,296,496)	Under-recovery	-3%	91,452,830	88,886,899	(2,565,931)	Under-recovery	-3%
13.	ADMINISTRATION SUBSIDY	646,000	628,248	(17,752)	Under-recovery	-3%	1,292,000	1,256,000	(36,000)	Under-recovery	-3%
14.	SALES FEES AND CHARGES	433,026	648,926	215,900	Over-recovery	50%	1,099,000	1,229,000	130,000	Over-recovery	12%
15.	DEPARTMENTAL RECHARGES	0	0	0			475,495	475,495	0		
16.	HOME LOANS	154,230	195,304	41,074	Over-recovery	27%	333,832	363,832	30,000	Over-recovery	9%
17.	TOTAL INCOME	43,271,791	42,214,517	(1,057,274)	Under-recovery	-2.44%	94,653,157	92,211,226	(2,441,931)	Under-recovery	-2.58%
18.	NET EXPENDITURE	2,453,795	2,085,529	368,266	Underspend	15.01%	5,612,181	5,268,248	343,933	Underspend	6.13%