

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2022/23

APPENDIX 1

PERIOD END DATE

30/09/2022

Subjective Summary	Total Budget 2022/23 £000	Spend to Date 2022/23 £000	Forecast Spend £000	Forecast Variance 2022/23 £000 %		Annual RAG Status
Employee Costs	6,690	2,944	6,976	286	4%	↓
Property Costs	2,030	869	2,035	5	0%	↓
Transport Costs	112	64	128	16	0%	↓
Supplies, Services And Admin	395	119	382	(13)	-3%	↑
Support Services	2,724	0	2,613	(111)	-4%	↑
Other Expenditure	532	508	580	48	9%	↓
Repairs & Maintenance	12,942	6,980	13,455	513	4%	↓
Bad Debt Provision	1,060	459	923	(137)	-13%	↑
Void Loss (Council Tax/Lost Rents)	857	1,060	1,678	821	96%	↓
Loan Charges/CFCR	19,676	9,838	18,313	(1,363)	-7%	↓
Total Expenditure	47,018	22,841	47,083	65	0%	↓
House Rents	45,215	21,543	45,253	(38)	0%	↑
Lockup Rents	210	95	213	(3)	-1%	↑
Factoring/Insurance Charges	1,316	653	1,307	9	1%	↓
Other rents	115	47	116	(1)	-1%	↑
Interest on Revenue Balance	55	5	10	45	82%	↓
Transfer from Reserves	0	0	60	(60)	0%	↑
Miscellaneous income	107	38	124	(17)	-16%	↑
Total Income	47,018	22,381	47,083	(65)	0%	↑
Net Expenditure	0	460	0	0		→

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2022/23
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 2

MONTH END DATE

30/09/2022

PERIOD

6

Budget Details		Variance Analysis			
Subjective Analysis		Budget	Forecast Spend	forecast Variance	RAG Status
		£000	£000	£000	%
EMPLOYEE COSTS		6,690	6,976	286	4%
					↓
Subjective Description					
This budget covers all employees charged directly to the HRA including caretakers.					
Variance Narrative					
Main Issues		This adverse variance is mainly due to the agreed pay award being higher than the 2% budgeted . Also £60K of this adverse variance relates to the increased pay awarded to caretakers following job evaluation panel on 7 April. This £60K is offset by a transfer from HRA service improvement reserve which is shown in the income section .			
Mitigating Action		It is not possible to mitigate against an agreed pay award however managers will continue to review any possible reductions in costs where possible to try and partially offset some of this			
Anticipated Outcome		A year end overspend is anticipated			
Budget Details		Variance Analysis			
Subjective Analysis		Budget	Forecast Spend	forecast Variance	RAG Status
		£000	£000	£000	%
SUPPORT SERVICES		2,724	2,613	(111)	-4%
					↑
Subjective Description					
This budget covers central support recharges to the HRA					
Variance Narrative					
Main Issues		A favourable variance is expected with the assumption that the 2022/23 forecast outturn for support services is expected to be in line with the 2021/22 outturn adjusted for pay uplifts etc. This charge is calculated each year end based on HRA's percentage usage of the total cost of WDC support services. The 2022/23 HRA budget was set before this 2021/22 outturn was known so was based on 2020/21 charge which was higher.			
Mitigating Action		No mitigating action is required.			
Anticipated Outcome		A year end underspend is anticipated			
Budget Details		Variance Analysis			
Subjective Analysis		Budget	Forecast Spend	forecast Variance	RAG Status
		£000	£000	£000	%
REPAIRS & MAINTENANCE		12,942	13,455	513	4%
					↓
Service Description					
This budget covers all repair and maintenance expenditure to houses and lockups					
Variance Narrative					
Main Issues		The adverse variance within Repairs & Maintenance is due to additional work being carried out to catch up with both jobbing repairs and void repairs. Additional capacity to do this has been achieved through use of sub contractors as well as continuing with HMTA work so in effect more than a typical year worth of work is expected to be completed in 22/23, therefore the cost will be higher than usual.			
Mitigating Action		In order to get back to pre - COVID levels of voids and repairs , it is considered necessary to pursue this increased activity for 2022/23 albeit at a financial cost . It should be noted that in previous years, costs were lower than budgeted due to lower activity in lockdown / COVID restrictions .			
Anticipated Outcome		A year end overspend is anticipated			

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Budget Details		Variance Analysis			
Subjective Analysis		Budget	Forecast Spend	forecast Variance	RAG Status
		£000	£000	£000	%
BAD DEBT PROVISION		1,060	923	(137)	-13% ↑
Service Description					
This budget allows for the provision for bad and doubtful debts to be maintained at an appropriate level					
Variance Narrative					
Main Issues		The Bad Debt Provision expected to be required for 2022/23 is less than estimated at time of budget setting, resulting in a favourable variance. This assumes that the provision required in 22/23 will be similar to the 21/22 provision.			
Mitigating Action		No mitigating action is required.			
Anticipated Outcome		A year end underspend is anticipated			

Budget Details		Variance Analysis			
Subjective Analysis		Budget	Forecast Spend	forecast Variance	RAG Status
		£000	£000	£000	%

VOID LOSS		857	1,678	821	96% ↓
Service Description					
This budget covers the rents lost on void houses and lockups and the cost of council tax on void properties.					
Variance Narrative					
Main Issues		The main reason for the projected adverse variance relates to the number of void properties being higher than expected at time of budget setting. The budget was set on the assumption that backlogs following COVID delays in getting voids turned around would be resolved early in year however the numbers continue to be high.			
Mitigating Action		A void working group has been reviewing the issues and have been implementing actions and working with Housing Maintenance managers to improve the situation and it is expected that the void figures will start to decrease significantly over the next few months.			
Anticipated Outcome		A year end overspend is anticipated			