

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2020/2021

Appendix 1

PERIOD END DATE

30 September 2020

Subjective Summary	Total Budget 2020/21 £000	Spend to Date 2020/21 £000	Forecast Spend £000	Forecast Variance 2020/21 £000 %		Annual RAG Status	Net Variance attributable to covid £000	Underlying Variance excluding Covid £000
Employee Costs	5,559	2,788	5,728	169	3%	↓	12	157
Property Costs	1,837	909	1,807	(30)	-2%	↑	0	(30)
Transport Costs	80	28	81	1	0%	↓	0	1
Supplies, Services And Admin	316	140	320	4	1%	↓	(28)	32
Support Services	2,661	1,313	2,626	(35)	-1%	↑	0	(35)
Other Expenditure	464	289	473	9	2%	↓	(47)	56
Repairs & Maintenance	12,517	2,701	10,313	(2,204)	-18%	↑	(1,984)	(220)
Bad Debt Provision	1,060	493	1,060	0	0%	→	0	0
Void Loss (Council Tax/Lost Rents)	740	587	962	222	30%	↓	222	0
Loan Charges	18,919	9,460	18,919	0	0%	→	0	0
Total Expenditure	44,153	18,708	42,289	(1,864)	-4%	↑	(1,825)	(39)
House Rents	42,432	18,177	42,381	52	0%	↓	52	0
Lockup Rents	209	91	201	8	4%	↓	0	8
Factoring/Insurance Charges	1,202	607	1,215	(13)	-1%	↑	0	(13)
Other rents	115	46	115	0	0%	→	0	0
Interest on Revenue Balance	93	35	71	22	24%	↓	0	22
Miscellaneous income	101	62	113	(12)	-12%	↑	0	(12)
Total Income	44,152	19,018	44,096	57	0%	↓	52	5
Net Expenditure	0	(310)	(1,807)	(1,807)			(1,773)	(34)

MONTH END DATE

30 September 2020

PERIOD

6

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

EMPLOYEE COSTS	5,559	5,728	169	3%	↓
Subjective Description					
This budget covers all employees charged directly to the HRA including caretakers.					
Variance Narrative					
Main Issues	There are two reasons for this adverse variance. The first reason relates to a reduction in the recharge of salaries to HRA Capital due to changes in the workload as a result of the Covid-19 lockdown in the first 3 months of the year (£0.012m). The other main reason relates to the proportion of staff being recharged to other services being less than budgeted (£0.206m). However, this is partly offset by a reduction in recharges from other services (£0.049m).				
Mitigating Action	No mitigation possible. Any overspend will be contained within the overall HRA Budget.				
Anticipated Outcome	A year end overspend is anticipated.				

REPAIRS & MAINTENANCE	12,517	10,313	(2,204)	-18%	↑
Service Description					
This budget covers all repair and maintenance expenditure to houses and lockups					
Variance Narrative					
Main Issues	The projected underspend is attributable to 2 main factors, namely a saving (£0.207m) on the gas maintenance contract, as a result of a procurement exercise and a backlog in jobbing repairs as a result of covid. Buildings Service management are currently reviewing options to catch-up with backlog repairs, should this be successful then this underspend is likely to reduce as the year progresses. Ongoing repairs may be affected adversely by any further widespread covid infection in the future.				
Mitigating Action	HMTA will continue to seek appropriate ways to catch up with repairs				
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	740	962	222	30%	↓
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 this adverse variance relates to the void rent loss. House moves were not permitted between April and June, therefore it was not possible to relet available properties during this time. Despite restrictions being lifted and best efforts to relet properties, the current expectation is that recovery to normal numbers won't occur until later in the year. A short-life working group is being established to project manage the issues between now and then, with practicalities straddling Housing Operations and HMTA.				
Mitigating Action	Any overspend will be contained within the overall HRA Budget.				
Anticipated Outcome	A year end overspend is anticipated.				

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2020/2021
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 2

MONTH END DATE

30 September 2020

PERIOD

6

Budget Details		Variance Analysis			
Subjective Analysis	Budget	Forecast Spend	forecast Variance	RAG Status	
	£000	£000	£000	%	
HOUSE RENTS	(42,432)	(42,381)	52	0%	↓
Service Description					
Rental income from houses					
Variance Narrative					
Main Issues	This budget is based on the expected numbers of stock available for rent. The 20/21 budget assumed a provision for some of the new builds becoming available to rent part way through the financial year. However, the temporary halt of work and delays to the progress on site due to covid, will mean that some of these properties will not be ready for let within 2020/21.				
Mitigating Action	No mitigation possible. Any income shortfall will be contained within the overall HRA Budget.				
Anticipated Outcome	There will be a shortfall in rental income.				