

WEST DUNBARTONSHIRE COUNCIL

Report by Director of Housing, Regeneration and Environmental Services

Social Justice Committee : 8 November 2006

Subject: Housing Revenue Account 2006/2007 Budgetary Control Statement to 15 September 2006 (Period 5)

1. Purpose of Report

- 1.1 The purpose of this report is to provide the Committee with an update on the financial performance of the Housing Revenue Account (HRA) to the period ended 15 September 2006. Budgetary control statements for the HRA are also presented to the full Council to allow the Council to monitor performance.

2. Background

- 2.1 Attached, at Appendix 1, is the budgetary control statement for the Housing Revenue Account. It should be noted that this report compares actual expenditure to 15 September 2006 to the phased budget as at that date.

3. Main Issues

- 3.1 The overall net position on the Housing Revenue Account, measuring the actual against phased budget to 15 September 2006, is a favourable variance of £303,220. An explanation for the key variances is given below:-
- a) The adverse variance of £27,670 on Employee Costs is mainly due to redundancy payments of £56,000 which were not budgeted for, offset by some vacancy savings.
 - b) The favourable variance on Lost Rents of £64,970 is an indication that the Void Housing Strategy is contributing towards a downward trend in the level of void houses.
 - c) The favourable variance of £219,220 on Repairs is mainly due to an increased level of spend on repairs of a capital nature with a consequent reduction in revenue repairs.
 - d) The favourable variance on Reallocated Salaries of £38,210 is due to a revision of the allocations to other budgets, resulting in a higher level of salary recharge than had been allowed for in the preparation of the original budget.

- e) The Committee's attention is drawn to the Contingency Fund budget figure of £59,000. This budget has been created from a projected underspend on Loan Charges. This Contingency budget is ring-fenced and can only be used to offset overspendings within the Housing Revenue Account.

4. Personnel Issues

- 4.1 The redundancies referred to in paragraph 3.1 (a) were voluntary and presented no personnel issues.

5. Financial Implications

- 5.1 The financial implication is that the overall net position on the Housing Revenue Account, measuring the actual against phased budget to 15 September 2006, is a favourable variance of £303,220.

6. Recommendation

- 6.1 **The Committee is asked to note the report.**

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Director of Housing, Regeneration and Environmental Services
Date: 19 October 2006

Wards Affected: All

Background Papers: None

Appendix: HRA Budgetary Control Report

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