

WEST DUNBARTONSHIRE COUNCIL  
HRA REVENUE BUDGETARY CONTROL 2022/23

APPENDIX 1

PERIOD END DATE

31 July 2022

| Subjective Summary                 | Total Budget<br>2022/23<br>£000 | Spend to<br>Date<br>2022/23<br>£000 | Forecast<br>Spend<br>£000 | Forecast Variance 2022/23 |           | Annual RAG<br>Status |
|------------------------------------|---------------------------------|-------------------------------------|---------------------------|---------------------------|-----------|----------------------|
|                                    |                                 |                                     |                           | £000                      | %         |                      |
| Employee Costs                     | 6,690                           | 1,936                               | 6,832                     | 142                       | 2%        | ↓                    |
| Property Costs                     | 2,030                           | 504                                 | 2,000                     | (30)                      | -1%       | ↑                    |
| Transport Costs                    | 112                             | 42                                  | 133                       | 21                        | 0%        | ↓                    |
| Supplies, Services And Admin       | 395                             | 72                                  | 382                       | (13)                      | -3%       | ↑                    |
| Support Services                   | 2,724                           | 845                                 | 2,536                     | (188)                     | -7%       | ↑                    |
| Other Expenditure                  | 532                             | 346                                 | 580                       | 48                        | 9%        | ↓                    |
| Repairs & Maintenance              | 12,942                          | 820                                 | 12,432                    | (510)                     | -4%       | ↑                    |
| Bad Debt Provision                 | 1,060                           | 302                                 | 923                       | (137)                     | -13%      | ↑                    |
| Void Loss (Council Tax/Lost Rents) | 857                             | 630                                 | 1,549                     | 692                       | 81%       | ↓                    |
| Loan Charges                       | 19,676                          | 6,559                               | 19,676                    | 0                         | 0%        | →                    |
| <b>Total Expenditure</b>           | <b>47,018</b>                   | <b>12,056</b>                       | <b>47,043</b>             | <b>25</b>                 | <b>0%</b> | <b>↑</b>             |
| House Rents                        | 45,215                          | 12,756                              | 45,215                    | 0                         | 0%        | →                    |
| Lockup Rents                       | 210                             | 57                                  | 207                       | 3                         | 1%        | ↓                    |
| Factoring/Insurance Charges        | 1,316                           | 436                                 | 1,307                     | 9                         | 1%        | ↓                    |
| Other rents                        | 115                             | 27                                  | 116                       | (1)                       | -1%       | ↑                    |
| Interest on Revenue Balance        | 55                              | 3                                   | 10                        | 45                        | 82%       | ↓                    |
| Income from Reserves               | 0                               | 0                                   | 60                        | (60)                      | 0%        | ↑                    |
| Miscellaneous income               | 107                             | 41                                  | 136                       | (29)                      | -27%      | ↑                    |
| <b>Total Income</b>                | <b>47,018</b>                   | <b>13,320</b>                       | <b>47,051</b>             | <b>(33)</b>               | <b>0%</b> | <b>↓</b>             |
| <b>Net Expenditure</b>             | <b>0</b>                        | <b>(1,264)</b>                      | <b>(8)</b>                | <b>(8)</b>                |           | <b>↓</b>             |

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

APPENDIX 2

MONTH END DATE 31 July 2022

PERIOD 4

| Budget Details   |   | Variance Analysis |                   |            |   |
|--|---|-------------------|-------------------|------------|---|
| Subjective Analysis  | Budget  | Forecast Spend    | forecast Variance | RAG Status |   |
|  | £000  | £000              | £000              | %          |   |
| <b>EMPLOYEE COSTS</b>  | 6,690   | 6,832             | 142               | 2%         | ↓ |
| <b>Subjective Description</b>  |   |                   |                   |            |   |
| This budget covers all employees charged directly to the HRA including caretakers. |   |                   |                   |            |   |
| <b>Variance Narrative</b>  |   |                   |                   |            |   |
| <b>Main Issues</b>   | £60K of this adverse variance relates to the increased pay awarded to caretakers following job evaluation panel on 7 April. This is offset by a transfer from HRA service improvement reserve which is shown in the income section. The remaining variance is due to additional temp posts being added to assist with backlogs/ staff absences. |                   |                   |            |   |
| <b>Mitigating Action</b>   | The need for additional staffing is regularly reviewed and will be reduced when service requirements allow.   |                   |                   |            |   |
| <b>Anticipated Outcome</b>   | A year end overspend is anticipated   |                   |                   |            |   |

| Budget Details  |  | Variance Analysis |                   |            |   |
|---|--|-------------------|-------------------|------------|---|
| Subjective Analysis                                     | Budget   | Forecast Spend    | forecast Variance | RAG Status |   |
|   | £000   | £000              | £000              | %          |   |
| <b>SUPPORT SERVICES</b>                                 | 2,724  | 2,536             | (188)             | -7%        | ↑ |
| <b>Subjective Description</b>                           |  |                   |                   |            |   |
| This budget covers central support recharges to the HRA |  |                   |                   |            |   |
| <b>Variance Narrative</b>                               |  |                   |                   |            |   |
| <b>Main Issues</b>                                      | 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. |                   |                   |            |   |
| <b>Mitigating Action</b>                                | No mitigating action is required.  |                   |                   |            |   |
| <b>Anticipated Outcome</b>                              | A year end underspend is anticipated   |                   |                   |            |   |

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| Budget Details  | Variance Analysis   |                |                   |            |   |
|---|---|----------------|-------------------|------------|---|
| Subjective Analysis   | Budget  | Forecast Spend | forecast Variance | RAG Status |   |
|   | £000  | £000           | £000              | %          |   |
| <b>REPAIRS &amp; MAINTENANCE</b>  | 12,942  | 12,432         | (510)             | -4%        | ↑ |
| <b>Service Description</b>  |   |                |                   |            |   |
| This budget covers all repair and maintenance expenditure to houses and lockups |   |                |                   |            |   |
| <b>Variance Narrative</b>   |   |                |                   |            |   |
| <b>Main Issues</b>  | The favourable variance within Repairs & Maintenance is due to a couple of factors. The first being other maintenance relating to Gas Maintenance, Lift Maintenance etc. is expected to be lower than anticipated at time of budget setting when comparing to previous years trends. The second factor, similarly when looking at previous years trends we can expect the recoveries from owners to be higher than anticipated at time of budget setting. These combined results in the projected favourable variance in 2022/23. |                |                   |            |   |
| <b>Mitigating Action</b>  | No mitigating action is required.   |                |                   |            |   |
| <b>Anticipated Outcome</b>  | A year end underspend is anticipated  |                |                   |            |   |

| Budget Details   | Variance Analysis  |                |                   |            |   |
|--|--|----------------|-------------------|------------|---|
| Subjective Analysis  | Budget   | Forecast Spend | forecast Variance | RAG Status |   |
|  | £000   | £000           | £000              | %          |   |
| <b>BAD DEBT PROVISION</b>  | 1,060  | 923            | (137)             | -13%       | ↑ |
| <b>Service Description</b>   |  |                |                   |            |   |
| This budget allows for the provision for bad and doubtful debts to be maintained at an appropriate level |  |                |                   |            |   |
| <b>Variance Narrative</b>  |  |                |                   |            |   |
| <b>Main Issues</b>   | 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. |                |                   |            |   |
| <b>Mitigating Action</b>   | No mitigating action is required.  |                |                   |            |   |
| <b>Anticipated Outcome</b>   | A year end underspend is anticipated   |                |                   |            |   |


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

|  |  |       |     |     |   |
|--|--|-------|-----|-----|---|
| <b>VOID LOSS</b>   | 857  | 1,549 | 692 | 81% |  |
| <b>Service Description</b>   |  |       |     |     |   |
| This budget covers the rents lost on void houses and lockups and the cost of council tax on void properties. |  |       |     |     |   |
| <b>Variance Narrative</b>  |  |       |     |     |   |
| <b>Main Issues</b>   | 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 . |       |     |     |   |
| <b>Mitigating Action</b>   | 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 month   |       |     |     |   |
| <b>Anticipated Outcome</b>   | A year end overspend is anticipated  |       |     |     |   |