

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2021/2022

APPENDIX 1

PERIOD END DATE

31 December 2021

Subjective Summary	Total Budget 2021/22 £000	Spend to Date 2021/22 £000	Forecast Spend £000	Forecast Variance 2021/22		Annual RAG Status
				£000	%	
Employee Costs	6,272	4,187	6,257	(15)	0%	↑
Property Costs	1,917	1,404	1,837	(80)	-4%	↑
Transport Costs	110	78	108	(2)	0%	↑
Supplies, Services And Admin	394	255	378	(16)	-4%	↑
Support Services	2,677	2,025	2,599	(78)	-3%	↑
Other Expenditure	510	439	505	(5)	-1%	↑
Repairs & Maintenance	12,860	9,091	12,257	(603)	-5%	↑
Bad Debt Provision	1,060	688	918	(142)	-13%	↑
Void Loss (Council Tax/Lost Rents)	648	1,100	1,380	732	113%	↓
Loan Charges	19,699	14,774	19,699	0	0%	→
Total Expenditure	46,147	34,041	45,938	(209)	0%	↑
House Rents	44,417	32,345	44,131	286	1%	↓
Lockup Rents	210	148	244	(34)	-16%	↑
Factoring/Insurance Charges	1,235	1,266	1,266	(31)	-3%	↑
Other rents	114	76	115	(1)	-1%	↑
Interest on Revenue Balance	71	19	58	13	18%	↓
Miscellaneous income	100	39	132	(32)	-32%	↑
Total Income	46,147	33,893	45,946	201	0%	↑
Net Expenditure	0	148	(8)	(8)		

MONTH END DATE 31 December 2021

PERIOD 9

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

PROPERTY COSTS					
	1,917	1,837	(80)	-4%	↑
Subjective Description					
This budget covers electricity, gas, rates, rents, cleaning and insurance costs.					
Variance Narrative					
Main Issues	The main reasons for this underspend relates to the expectation that the year end recharge for the cost of property insurance will be more in line with last year's actual than assumed within budget.				
Mitigating Action	No mitigating action is required.				
Anticipated Outcome	A year end underspend is anticipated				

Budget Details	Variance Analysis				RAG Status
Subjective Analysis	Budget	Forecast Spend	forecast Variance		

SUPPORT SERVICES					
	2,677	2,599	(78)	-3%	↑
Subjective Description					
This budget covers central support recharges to the HRA					
Variance Narrative					
Main Issues	The year end recharge for the use of central support services is anticipated to be similar to last year and lower than budgeted resulting in a favourable variance.				
Mitigating Action	No mitigating action is required.				
Anticipated Outcome	A year end underspend is anticipated				

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

REPAIRS & MAINTENANCE					
	12,860	12,257	(603)	-5%	↑
Service Description					
This budget covers all repair and maintenance expenditure to houses and lockups					
Variance Narrative					
Main Issues	The projected underspend is attributable to lower than budgeted costs for maintenance contracts.				
Mitigating Action	No mitigating action is required.				
Anticipated Outcome	A year end underspend is anticipated.				

MONTH END DATE 31 December 2021

PERIOD 9

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

BAD DEBT PROVISION	1,060	918	(142)	-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	It is anticipated that the Bad Debt Provision will be more in line with last year's actual, as opposed to budget, resulting in a favourable variance.				
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	648	1,380	732	113%	↓
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 number of void properties being higher than budgeted. Despite restrictions being lifted and best efforts to relet properties towards the end of 20/21, the recovery to normal numbers was not possible. Therefore, void numbers are starting higher in 21/22 than assumed within the budget. This is reflected in a higher cost for void rent loss and void council tax against budget.				
Mitigating Action	HMTA and Housing are working together to facilitate having void properties ready for re-letting				
Anticipated Outcome	A year end overspend is anticipated.				

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

HOUSE RENTS	44,417	44,131	286	1%	↓
Service Description					
Rental income from houses					
Variance Narrative					
Main Issues	This budget is based on the expected numbers of stock available for rent. The 21/22 budget assumed a provision for some of the new builds becoming available to rent part way through the financial year. However, delays to the progress on site due to Covid-19 and adverse weather, will mean that some of these properties will not be ready until later than originally assumed within the budget.				
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.				