



Supplementary Agenda

Housing and Communities Committee

Date: Wednesday, 1 November 2017

Time: 10:00

Venue: Council Chamber,
Clydebank Town Hall, Clydebank

Contact: Nuala Quinn-Ross, Committee Officer
Tel: 01389 737210 nuala.quinn-ross@west-dunbarton.gov.uk

Dear Member

ITEM TO FOLLOW

With reference to the agenda for the above Meeting of the **Housing and Communities Committee** which was issued on 20 October 2017, I now attach for your attention a copy of the undernoted report which was not available for issue at that time.

Yours faithfully

JOYCE WHITE

Chief Executive

Note referred to:-

**12 GENERAL SERVICES HOUSING AND COMMUNITIES
BUDGETARY CONTROL REPORT**

179 – 189

Submit report by the Strategic Director of Regeneration, Environment and Growth providing an update on the financial performance to 30 September 2017 (Period 6) of those services under the auspices of the Housing and Communities Committee.

Distribution:-

Councillor Diane Docherty (Chair)
Councillor Iain McLaren (Vice Chair)
Councillor Jim Brown
Councillor Gail Casey
Councillor Karen Conaghan
Councillor Ian Dickson
Councillor Caroline McAllister
Councillor David McBride
Councillor Jonathan McColl
Councillor John Millar
Councillor John Mooney
Councillor Sally Page

All other Councillors for information

Chief Executive
Strategic Director, Regeneration, Environment & Growth
Strategic Lead, Housing & Employability
Strategic Lead, Regeneration

Date issued: 27 October 2017

WEST DUNBARTONSHIRE COUNCIL

Report by the Strategic Director of Regeneration, Environment and Growth

Housing and Communities Committee: 1 November 2017

Subject: Financial Report 2017/18 as at Period 6 (30 September 2017)

1. Purpose

- 1.1** The purpose of the report is to provide the Committee with an update on the financial performance to 30 September 2017 (Period 6) of those services under the auspices of the Housing and Communities Committee.

2. Recommendations

2.1 Members are asked to:-

- i) Note the contents of this report which shows the revenue budget forecast to underspend against budget by £0.035m (6%) at the year-end;
- ii) Note the net projected annual capital underspend of £0.245m (45%), which is due to project rephasing ; and
- iii) Note the progress on savings incorporated into budgets for 2017/18.

3. Background

3.1 Revenue Budget

At the meeting of West Dunbartonshire Council on 22 February 2017, Members agreed the revenue estimates for 2017/18. A total net budget of £0.680m was approved for services under the remit for Housing and Communities services.

Following the year end, recurring variances were identified and these budgets were transferred into the contingency fund (£0.172m).

There has also been a virement (£0.154m) of the Scottish Government non-ringfenced funding for Private Sector Housing Grants (PSHG). This has historically been reported within the PSHG income budget but since it now forms part of the Revenue Support Grant it is more appropriate that the budget is now moved and added to the Revenue Support Grant budget . This is a presentational adjustment and has no impact on the overall budget available for PSHG.

Other adjustments amounting to £0.042M have been made in respect of pay awards, office accommodation, training and procurement.

The revised budget is therefore now £0.620M.

Capital

- 3.1.1 At the meeting of Council on 22 February 2017, Members also agreed the updated 10 year General Services Capital Plan for 2017/2018 to 2026/27. The next three years from 2017/18 to 2019/20 have been approved in detail with the remaining 7 years being indicative at this stage. The total project life budget approved for projects that have either commenced or are due to commence in that period total for Housing and Communities services was £0.624m.

4. Main Issues

Revenue Budget

- 4.1 Appendix 1 shows the probable outturn for the services at 0.585m. As the annual budget is £0.620m there is a projected favourable variance currently projected of £0.035m. A more detailed analysis by service is given in Appendix 2. Comments are shown in Appendix 3 when there are projected annual variances greater than £50,000. Appendix 4 shows progress on the achievement of saving options adopted as part of the 2017/18 budget.

Capital Budget

- 4.2 The overall programme summary report is shown in Appendix 5. The analysis shows that for the in-year planned spend there is currently a projected annual favourable variance of £0.245m which relates to project underspending against profile in-year. Information on the project that is highlighted as being within the amber categories is provided in Appendix 6.

5. People Implications

- 5.1 There are no people implications.

6. Financial Implications

- 6.1 Other than the financial position noted above, there are no financial implications of the budgetary control report. Officers are currently reviewing budgets and projections with a view to improving the position by financial year end and progress will be highlighted in future reports to committee.
- 6.2 Agreed savings and management adjustments for 2017/18 are monitored with current indications showing that all of the savings being monitored (£0.120m), are currently on target to be achieved (see Appendix 4).

7. Risk Analysis

- 7.1** The main financial risks to the ongoing financial position relate to unforeseen cost being identified between now and the end of the financial year. This can affect all service areas.

8. Equalities Impact Assessment (EIA)

- 8.1** The report is for noting and therefore no Equalities Impact Assessment was completed for this report.

9. Consultation

- 9.1** The views of both Finance and Legal services have been requested on this report and both have advised there are neither any issues nor concerns with the proposal. As the report is for noting no further consultation is envisaged.

10. Strategic Assessment

- 10.1** Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council. This report is for noting and, therefore, does not directly affect any of the strategic priorities.

Peter Barry
Strategic Lead – Housing and Employability
Date: 18 October 2017

Person to Contact: Janice Rainey - Business Unit Finance Partner ,Garshake Road, Dumbarton, G82 3PU, telephone: 01389 737707, e-mail janice.rainey@west-dunbarton.gov.uk

Appendices: Appendix 1 - Summary Budgetary Position (Revenue)
Appendix 2 - Detailed Budgetary Position (Revenue)
Appendix 3 - Variance Analysis (Revenue)
Appendix 4 - Monitoring of Savings Options
Appendix 5: Budgetary Position (Capital)
Appendix 6 : Variance analysis Amber Projects (Capital)








Background Papers: None

Wards Affected: All

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2017/2018
HOUSING & COMMUNITIES SUMMARY

APPENDIX 1

MONTH END DATE 30 September 2017

Actual Outturn 2016/17	Service / Subjective Summary	Total Budget 2017/18	Spend to Date 2017/18	Forecast Spend	Forecast Variance 2017/18	Annual RAG Status
£000		£000	£000	£000	£000	%
1,172	Central Repairs	1,248	570	974	(274)	-22% 
170	Homeless Persons	23	136	79	56	243% 
73	Private Sector Housing	45	9	47	2	4% 
(21)	Private Sector Housing Grant	92	178	91	(1)	-1% 
708	Anti Social Behaviour	719	317	671	(48)	-7% 
(1,133)	Housing Maintenance Trading A/c	(1,507)	(808)	(1,277)	230	15% 
969	Total Net Expenditure	620	402	585	(35)	-6% 

YEAR END DATE **30 September 2017**

Actual Outturn 2016/17	Service Summary	Total Budget 2017/18	YTD Spend 2017/18	Forecast Spend 2017/18	Forecast Annual Variance 2017/18	RAG Status
£000	All Services	£000	£000	£000	£000	%
13,692	Employee	15,414	7,171	14,661	(753)	-5% ↑
1,608	Property	2,721	1,242	2,745	24	1% ↓
1,084	Transport and Plant	1,110	497	868	(242)	-22% ↑
4,908	Supplies, Services and Admin	6,088	3,414	6,990	902	15% ↓
3,794	Payments to Other Bodies	1,265	501	1,323	58	5% ↓
1,328	Other	868	265	536	(332)	-38% ↑
26,414	Gross Expenditure	27,466	13,090	27,123	(343)	-1% ↑
(25,445)	Income	(26,846)	(12,688)	(26,538)	309	1% ↓
969	Net Expenditure	620	402	585	(34)	-5% ↑
£000	Central Repairs	£000	£000	£000	£000	%
952	Employee	856	442	850	(6)	-1% ↑
44	Property	1,133	598	1,133	0	0% →
29	Transport and Plant	36	10	36	0	0% →
410	Supplies, Services and Admin	343	171	366	23	7% ↓
1,172	Payments to Other Bodies	0	0	63	63	0% ↓
0	Other	0	0	0	0	0% →
2,607	Gross Expenditure	2,368	1,221	2,448	80	3% ↓
(1,435)	Income	(1,120)	(651)	(1,474)	(354)	-32% ↑
1,172	Net Expenditure	1,248	570	974	(274)	-22% ↑
£000	Homeless Persons	£000	£000	£000	£000	%
1,320	Employee	1,370	664	1,369	(1)	0% ↑
1,225	Property	1,267	554	1,247	(20)	-2% ↑
24	Transport and Plant	25	12	25	0	0% →
207	Supplies, Services and Admin	172	72	171	(1)	-1% ↑
718	Payments to Other Bodies	682	263	677	(5)	-1% ↑
0	Other	0	0	0	0	0% →
3,494	Gross Expenditure	3,516	1,565	3,489	(27)	-1% ↑
(3,324)	Income	(3,493)	(1,429)	(3,410)	83	2% ↓
170	Net Expenditure	23	136	79	56	243% ↓
£000	Private Sector Housing	£000	£000	£000	£000	%
20	Employee	38	9	27	(11)	-29% ↑
0	Property	0	0	0	0	0% →
0	Transport and Plant	0	0	0	0	0% →
58	Supplies, Services and Admin	0	0	0	0	0% →
4	Payments to Other Bodies	28	0	28	0	0% →
0	Other	0	0	0	0	0% →
82	Gross Expenditure	66	9	55	(11)	-17% ↑
(9)	Income	(21)	0	(8)	13	62% ↓
73	Net Expenditure	45	9	47	2	4% ↓
£000	Private Sector Housing Grant	£000	£000	£000	£000	%
5	Employee	33	16	32	(1)	-3% ↑
255	Property	261	24	261	0	0% →
0	Transport and Plant	1	0	1	0	0% →
0	Supplies, Services and Admin	12	3	12	0	0% →
231	Payments to Other Bodies	231	135	231	0	0% →
0	Other	0	0	0	0	0% →
491	Gross Expenditure	538	178	537	(1)	0% ↑
(512)	Income	(446)	0	(446)	1	0% ↓
(21)	Net Expenditure	92	178	91	(1)	-1% ↑

YEAR END DATE **30 September 2017**

Actual Outturn 2016/17	Service Summary	Total Budget 2017/18	YTD Spend 2017/18	Forecast Spend 2017/18	Forecast Annual Variance 2017/18	RAG Status
£000	Anti Social Behaviour	£000	£000	£000	£000	%
444	Employee	441	175	393	(48)	-11%
0	Property	0	0	0	0	0%
22	Transport and Plant	6	2	6	0	0%
69	Supplies, Services and Admin	63	37	63	0	0%
182	Payments to Other Bodies	209	103	209	0	0%
0	Other	0	0	0	0	0%
717	Gross Expenditure	719	317	671	(48)	-7%
(9)	Income	0	0	0	0	0%
708	Net Expenditure	719	317	671	(48)	-7%
£000	Housing Maintenance Trading A/c	£000	£000	£000	£000	%
10,951	Employee	12,676	5,865	11,990	(686)	-5%
84	Property	60	66	104	44	73%
1,009	Transport and Plant	1,042	473	800	(242)	-23%
4,164	Supplies, Services and Admin	5,498	3,131	6,378	880	16%
1,487	Payments to Other Bodies	115	0	115	0	0%
1,328	Other	868	265	536	(332)	-38%
19,023	Gross Expenditure	20,259	9,800	19,923	(336)	-2%
(20,156)	Income	(21,766)	(10,608)	(21,200)	566	3%
(1,133)	Net Expenditure	(1,507)	(808)	(1,277)	230	-15%

WEST DUNBARTONSHIRE COUNCIL
REVENUE BUDGETARY CONTROL 2017/2018
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 3

YEAR END DATE

30 September 2017

Budget Details	Variance Analysis				
	Total Budget	Forecast Spend	Variance		RAG Status
	£000	£000	£000	%	
Central Repairs	1,248	974	(274)	-22%	↑
Service Description	This service manages and undertakes repairs and maintenance to public buildings.				
Main Issues / Reason for Variance	This favourable variances is in relation to a one off project which is being undertaken by the				
Mitigating Action	No mitigating action required as variance is favourable.				
Anticipated Outcome	Underspend will be achieved				
Homeless Persons	23	79	56	243%	↓
Service Description	This service seeks to prevent homelessness occurring across the authority and improves access to support services				
Main Issues / Reason for Variance	There is less than anticipated rental income from Ashton View Supported Accommodation due to delay in the extension build				
Mitigating Action	The extension is now open and officers are working towards making maximum use of this .				
Anticipated Outcome	Since the budget assumed extension would be available for full year but it was not available until October, there will be a shortfall in income				
Housing Maintenance Trading A/c	(1,507)	(1,277)	230	-15%	↓
Service Description	This service provides council housing maintenance				
Main Issues / Reason for Variance	This adverse variance is mainly due to efficiencies not yet being realised due to the timing of the Integrated Housing Management System				
Mitigating Action	Officers continue to monitor both spend and income levels to minimise this adverse variance				
Anticipated Outcome	An adverse variance is expected				

Efficiency reference		Efficiency Detail	budgeted Amount £	Projection of Total Saved £	Projection of Total Not Saved £	Comment
2017/18	MA20	Correction of cost for Tenancy Sustainability to HRA	82,000	82,000	0	
2017/18	MA21	Correction of cost for Strategy Staff to HRA	38,000	38,000	0	
			120,000	120,000	0	

WEST DUNBARTONSHIRE COUNCIL
GENERAL SERVICES CAPITAL PROGRAMME
OVERALL PROGRAMME SUMMARY

APPENDIX 5

MONTH END DATE 30 September 2017

PERIOD 6

Project Status Analysis	Project Life Status Analysis				Current Year Project Status Analysis			
	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status	Number of Projects at RAG Status	% Projects at RAG Status	Spend to Date £000	% Project Spend at RAG Status
Red Projects are forecast to be overspent and/or experience material delay to completion	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Amber Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	1	100.0%	119	100.0%	1	100.0%	41	100.0%
Green Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	0	0.0%	0	0.0%	0	0.0%	0	0.0%
TOTAL EXPENDITURE	1	100%	119	100%	1	100%	41	100%

Project Status Analysis	Project Life Financials				Current Year Financials					
	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Budget £000	Spend to Date £000	Forecast Spend £000	Forecast Variance £000	Re-Phasing £000	Over/ (Under) £000
Red Projects are forecast to be overspent and/or significant delay to completion	0	0	0	0	0	0	0	0	0	0
Amber Projects are either at risk of being overspent and/or delay in completion (although this is unquantifiable at present) or the project has any issues that require to be reported at this time	624	119	561	(63)	546	41	301	(245)	(245)	0
Green Projects are on target both in relation to overall budget and the forecast stages in the project life cycle and no issues are anticipated at this time	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	624	119	561	(63)	546	41	301	(245)	(245)	0

MONTH END DATE

30 September 2017

PERIOD

6

Budget Details		Project Life Financials					
		Budget	Spend to Date		Forecast Spend	Forecast Variance	
		£000	£000	%	£000	£000	%
11	Integrated Housing Management System						
	Project Life Financials	624	119	19%	561	(63)	-10%
	Current Year Financials	546	41	7%	301	(245)	-45%
	Project Description	This is a budget to support the necessary development and on-going requirements of					
	Project Lifecycle	Planned End Date	31-Mar-17	Forecast End Date	03-Dec-18		
	Main Issues / Reason for Variance						
	The project has been delayed by identifying potential shared service opportunities, finalising the contract documentation with the supplier and delays from incumbent system provider in the provision of access to Saffron data (which is still an ongoing issue, anticipating to be resolved beginning October 2017). Project has been re-phased with go-live date planned at end of 3rd December 2018, therefore budget of £0.181m is required to be re-phased into 18/19. As a result of the delay in completion of project, staffing is being considered to be extended to 31st March 2019 in order to support implementation of new system. At this time we are anticipating an underspend of £0.063m.						
	Mitigating Action						
	Officers will continue to seek opportunities to mitigate any further delays to the project.						
	Anticipated Outcome						
	Project is to delivered in-line with rephased project timeline with an anticipated underspend of £0.063m.						
	TOTAL PROJECTS AT AMBER STATUS						
	Project Life Financials	624	119	0	561	(63)	-10%
	Current Year Financials	546	41	0	301	(245)	-45%