

**WEST DUNBARTONSHIRE COUNCIL****Report by the Chief Officer - Resources****Council: 29 September 2021**

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**Subject:     Housing Revenue Account Budgetary Control Report  
                 to 31 August 2021 (Period 5)**

**1.     Purpose**

- 1.1**     The purpose of the report is to provide members with an update on the financial performance to 31 August 2021 (Period 5) of the HRA revenue and capital budgets for 2021/22.

**2.     Recommendations**

- 2.1**     Members are asked to:

- i)     note the revenue analysis shows a projected annual favourable variance of £0.004m; and
- ii)    note the net projected annual position in relation to the capital plan is highlighting an in-year variance of £1.399m which is made up of slippage of £1.799m (3.72%) and overspend of £0.750m (1.55%) as detailed in appendix 4.

**3.     Background**Revenue

- 3.1**     At the meeting of West Dunbartonshire Council on 3 March 2021, Members agreed the revenue estimates for 2021/2022 and a total budget of £46.147m.

Capital

- 3.2**     At the meeting of Council on 3 March 2021, Members also agreed the updated Capital Plan for 2021/22 which has been augmented by slippage from 2020/21 to produce a total planned spend for 2021/22 of £48.328m.

**4.     Main Issues**Revenue

- 4.1**     The budgetary position for HRA Revenue is provided in Appendix 1 with information on projected variances valued at more than £0.050m being provided as Appendix 2, and shows a projected favourable variance of £0.004m.

## Capital

- 4.2** The HRA capital summary position is shown in Appendix 3. Information on projects that are highlighted as being within the red category is provided in Appendix 4 and projects highlighted as being within the amber category in Appendix 5. Appendix 6 provides information on all the remaining projects which are categorised as being within the Green category. A summary of anticipated resources is shown in Appendix 7. The analysis shows that there is currently a projected in-year favourable variance of £1.049m which relates to anticipated slippage of £1.799m and overspend of £0.750m.
- 4.3** From the analysis within Appendix 4, it can be seen that the projects reporting slippage are as follows:-

<b>Project Name</b>	<b>Slippage (£m)</b>
Doors/ Window component renewals	1.331
Defective structures/component renewals	0.276
Airport Noise Insulation Scheme	0.192

Reasons for slippage are explained in Appendix 4 and Appendix 5. The overspend of £0.750m relates to £0.400m for the smoke detector installation programme and £0.350m for the Affordable Housing Supply Programme. The smoke detector installation programme will be overspent as installation costs have been higher than anticipated at time of budget setting, resulting in an anticipated overspend of £0.400m at this time. The Affordable Housing Supply Programme is expected to be £0.350m overspent due to labour and materials shortage at Dumbarton Harbour as explained in Appendix 5.

## **5. People Implications**

- 5.1** There are no people implications.

## **6. Financial and Procurement Implications**

- 6.1** Other than the financial position noted above, there are no financial implications of the budgetary control report. There are no procurement implications arising from this report.

## **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 Housing management and Legal services have been requested on this report and both have advised there are neither any issues nor concerns with the proposal.

## **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.

**Stephen West**  
**Chief Officer – Resources**  
**Date: 17 September 2021**

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**Appendices:** Appendix 1 - Budgetary Position (Revenue)  
Appendix 2 - Variance analysis (Revenue)  
Appendix 3 - Budgetary Position (Capital)  
Appendix 4 - Variance analysis Red Projects (Capital)  
Appendix 5 - Variance analysis Amber Projects (Capital)  
Appendix 6 - Variance analysis Green Projects (Capital)  
Appendix 7 - Resources (Capital)  
Appendix 8 - Analysis of Affordable Housing Supply Programme (Capital)

**Background Papers:** None

**Wards Affected:** All

