

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing, Environmental and Economic Development

Council: 27 August 2008

**Subject: Housing Revenue Account 2008/2009 Budgetary Control
Statement to 15 July 2008 (Period 3)**

1. Purpose

- 1.1** The purpose of this report is to provide Members with an update on the financial performance of the Housing Revenue Account (HRA) to the period ended 15 July 2008. Budgetary control statements for the HRA are also presented to the Housing, Environment and Economic Development Committee to allow the Committee 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 July 2008 with 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 July 2008, is a small favourable variance of £39,320. An explanation of the key variances is given below;-

a) Employee Costs - Favourable £65,930

This underpsend is mainly due to vacancies.

b) Lost Rent - Favourable £72,890

This underspend reflects the fact that the level of void houses has fallen from that assumed in the preparation of the 2008/2009 estimate, mainly due to a number of houses being declared surplus to requirements and consequently taken out of the letting pool. There has been a comparable reduction in the rental income as referred to in note 3.1 (c) below.

c) House Rent - Adverse £68,440

This under-recovery in house rent is mainly due to a number of houses being declared surplus to requirements and consequently being taken out of the letting pool.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 The overall net position on the Housing Revenue Account, measuring the actual against phased budget to 15 July 2008, is a favourable variance of £39,320.

5.2 It is too early in the financial year to identify any underlying trend.

6. Risk Analysis

6.1 The present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March 2008 which could affect the year end spend.

7. Conclusions

7.1 The report identifies a small underspend against the phased budget of £39,320.

8. Recommendation

8.1 **Members are asked to note the report.**

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Date: 7 August 2008

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Appendix: HRA Budgetary Control Report

Background Papers: None

Wards Affected: All