

WEST DUNBARTONSHIRE COUNCIL  
HRA REVENUE BUDGETARY CONTROL 2020/2021

Appendix 1

PERIOD END DATE

31/12/2020

Subjective Summary	Total Budget 2020/21 £000	Spend to Date 2020/21 £000	Forecast Spend £000	Forecast Variance 2020/21 £000 %		Annual RAG Status	Net Variance attributable to covid £000	Underlying Variance excluding Covid £000
Employee Costs	5,559	4,116	5,790	231	4%	↓	48	183
Property Costs	1,837	1,363	1,832	(5)	0%	↑	0	(5)
Transport Costs	80	61	80	0	0%	→	0	0
Supplies, Services And Admin	316	255	341	25	8%	↓	(17)	42
Support Services	2,661	1,970	2,626	(35)	-1%	↑	0	(35)
Other Expenditure	464	357	463	(1)	0%	↑	(68)	67
Repairs & Maintenance	12,516	7,438	10,020	(2,496)	-20%	↑	(2,276)	(220)
Bad Debt Provision	1,060	783	1,060	0	0%	→	0	0
Void Loss (Council Tax/Lost Rents)	740	797	1,062	322	44%	↓	214	108
Loan Charges	18,919	14,189	18,919	0	0%	→	0	0
<b>There are two reasons for this adverse</b>	<b>44,152</b>	<b>31,329</b>	<b>42,193</b>	<b>(1,959)</b>	<b>-4%</b>	<b>↑</b>	<b>(2,099)</b>	<b>140</b>

House Rents	42,432	31,775	42,362	70	0%	↓	70	0
Lockup Rents	209	150	207	2	1%	↓	0	2
Factoring/Insurance Charges	1,202	907	1,211	(9)	-1%	↑	0	(9)
Other rents	115	68	113	2	2%	↓	0	2
Interest on Revenue Balance	93	53	71	22	24%	↓	0	22
Miscellaneous income	101	70	140	(39)	-39%	↑	0	(39)
<b>Total Income</b>	<b>44,152</b>	<b>33,023</b>	<b>44,104</b>	<b>48</b>	<b>0%</b>	<b>↓</b>	<b>70</b>	<b>(22)</b>

<b>Net Expenditure</b>	<b>0</b>	<b>(1,694)</b>	<b>(1,911)</b>	<b>(1,911)</b>			<b>(2,029)</b>	<b>118</b>
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MONTH END DATE

31/12/2020

PERIOD

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

<b>EMPLOYEE COSTS</b>	5,559	5,790	231	4%	↓
<b>Subjective Description</b>					
This budget covers all employees charged directly to the HRA including caretakers.					
<b>Variance Narrative</b>					
<b>Main Issues</b>	There are two reasons for this adverse variance. The first reason relates to a reduction in the recharge of salaries to HRA Capital due to changes in the workload as a result of the Covid-19 working restrictions (£0.048m). The other main reason relates to the proportion of staff being recharged to other services being less than budgeted (£0.237m). However, this is partly offset by a reduction in recharges from other services (£0.056m).				
<b>Mitigating Action</b>	No mitigation possible. Any overspend will be contained within the overall HRA Budget.				
<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>REPAIRS &amp; MAINTENANCE</b>	12,516	10,020	(2,496)	-20%	↑
<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 projected underspend is attributable to 2 main factors, namely a saving (£0.207m) on the gas maintenance contract, as a result of a procurement exercise and a backlog in jobbing repairs as a result of covid. Buildings Service management are currently reviewing options to catch-up with backlog repairs, should this be successful then this underspend is likely to reduce as the year progresses. Ongoing repairs may be affected adversely by any further widespread covid infection in the future.				
<b>Mitigating Action</b>	HMTA will continue to seek appropriate ways to catch up with repairs				
<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>VOID LOSS</b>	740	1,062	322	44%	↓
<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 this adverse variance relates to the void rent loss. House moves were not permitted between April and June, therefore it was not possible to relet available properties during this time. Despite restrictions being lifted and best efforts to relet properties, the current expectation is that recovery to normal numbers won't occur until later in the year. A short-life working group is being established to project manage the issues between now and then, with practicalities straddling Housing Operations and HMTA.				
<b>Mitigating Action</b>	Any overspend will be contained within the overall HRA Budget.				
<b>Anticipated Outcome</b>	A year end overspend is anticipated.				

WEST DUNBARTONSHIRE COUNCIL  
HRA REVENUE BUDGETARY CONTROL 2020/2021  
ANALYSIS FOR VARIANCES OVER £50,000

APPENDIX 2

MONTH END DATE

31/12/2020

PERIOD

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Budget Details		Variance Analysis			
Subjective Analysis		Budget	Forecast Spend	forecast Variance	RAG Status
		£000	£000	£000	%
<b>HOUSE RENTS</b>		(42,432)	(42,362)	70	0% ↓
<b>Service Description</b>					
Rental income from houses					
<b>Variance Narrative</b>					
<b>Main Issues</b>		This budget is based on the expected numbers of stock available for rent. The 20/21 budget assumed a provision for some of the new builds becoming available to rent part way through the financial year. However, the temporary halt of work and delays to the progress on site due to covid, will mean that some of these properties will not be ready for let within 2020/21.			
<b>Mitigating Action</b>		No mitigation possible. Any income shortfall will be contained within the overall HRA Budget.			
<b>Anticipated Outcome</b>		There will be a shortfall in rental income.			