

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2021/2022

PERIOD END DATE

31 January 2022

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	4,727	6,241	(31)	0%	↑
Property Costs	1,917	1,545	1,853	(64)	-3%	↑
Transport Costs	110	84	104	(6)	0%	↑
Supplies, Services And Admin	394	288	393	(1)	0%	↑
Support Services	2,677	2,250	2,599	(78)	-3%	↑
Other Expenditure	510	527	600	90	18%	↓
Repairs & Maintenance	12,860	8,913	11,625	(1,235)	-10%	↑
Bad Debt Provision	1,060	765	918	(142)	-13%	↑
Void Loss (Council Tax/Lost Rents)	648	1,249	1,452	804	124%	↓
Loan Charges	19,699	16,416	19,699	0	0%	→
Total Expenditure	46,147	36,764	45,484	(663)	-1%	↑
House Rents	44,417	35,222	44,130	287	1%	↓
Lockup Rents	210	161	242	(32)	-15%	↑
Factoring/Insurance Charges	1,235	1,268	1,268	(33)	-3%	↑
Other rents	114	84	115	(1)	-1%	↑
Interest on Revenue Balance	71	48	58	13	18%	↓
Miscellaneous income	100	41	133	(33)	-33%	↑
Total Income	46,147	36,824	45,946	201	0%	↑
Net Expenditure	0	(60)	(462)	(462)		

WEST DUNBARTONSHIRE COUNCIL
HRA REVENUE BUDGETARY CONTROL 2021/2022
ANALYSIS FOR VARIANCES OVER £50,000

MONTH END DATE 31 January 2022

PERIOD 10

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

PROPERTY COSTS	1,917	1,853	(64)	-3%	↑
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				

OTHER EXPENDITURE	510	600	90	18%	↓
Subjective Description					
This budget covers rent abatements, membership fees and tenancy sustainment					
Variance Narrative					
Main Issues	The main reason for this overspend relates to an increase in rent abatement payments in 21/22 with higher costs than anticipated at time of budget setting.				
Mitigating Action	No mitigating action is available at this time.				
Anticipated Outcome	A year end overspend is anticipated				

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

REPAIRS & MAINTENANCE	12,860	11,625	(1,235)	-10%	↑
Service Description					
This budget covers all repair and maintenance expenditure to houses and lockups					
Variance Narrative					
Main Issues	The projected underspend is attributable to a few factors. Maintenance service contracts have been obtained at a lower cost than budgeted. General repairs have been less than budgeted since the focus has been on dealing with larger jobs which fall under capital budgets rather than revenue. It has also not been possible to identify many suitable projects to utilise the £0.800m WDTR0 budget therefore this budget remains unspent in 21/22.				
Mitigating Action	Work with WDTR0 and wider tenants group continues with optimism projects and programme of improvement that add real enhancement to estates and can be prioritised in 22/23.				
Anticipated Outcome	A year end underspend is anticipated.				

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HRA REVENUE BUDGETARY CONTROL 2021/2022
ANALYSIS FOR VARIANCES OVER £50,000

MONTH END DATE 31 January 2022

PERIOD 10

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	1,452	804	124%	↓
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	44,130	287	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.				