

# EAST AYRSHIRE COUNCIL

## HOUSING COMMITTEE – 17 MARCH 2004

### BUDGETARY CONTROL SUMMARY STATEMENT GENERAL FUND HOUSING TO 8 FEBRUARY 2004 (PERIOD 11)

#### Joint Report by Director of Finance and Director of Homes and Technical Services

#### 1. PURPOSE OF REPORT

- 1.1 To advise Members of the current budgetary control position and the projected out-turn for the year for the General Fund Housing for the period ended 8 February 2004 (Period 11).

#### 2. OVERALL POSITION

- 2.1 The following report relates to service costs and income directly controlled by the department and excludes rechargable costs for central services charges and debt charges.
- 2.2 The net underspend to date amounts to £0.217m and the outturn is projected to breakeven. The budget to 8 February 2004 is based on standard phasing for each period of expenditure and income, except where the service department has indicated otherwise. Period variances are mainly attributable to phasing which should level out over the year, but if this is not the case reasons for the anticipated variances are highlighted below.

#### 2.3 Summary of Objective Costs

SUMMARY OF SUBJECTIVE COSTS						
	Budget Expend. to 08-Feb-04 £	Actual Expend. to 08-Feb-04 £	Variance Expend. to 08-Feb-04 £	Annual Estimate £	Projected Actual 2003-04 £	Variance (Favourable)/ Adverse £
Employee Costs	491,712	449,791	(41,921)	575,355	533,110	(42,245)
Premises Costs	281,370	231,521	(49,849)	344,408	263,668	(80,740)
Transport Related Expenditure	53,331	39,670	(13,661)	63,025	49,985	(13,040)
Supplies & Services	1,024,887	909,555	(115,332)	1,148,032	1,110,561	(37,471)
Third Party Payments	601,883	542,982	(58,901)	656,600	656,600	0
<b>TOTAL EXPENDITURE</b>	<b>2,453,183</b>	<b>2,173,519</b>	<b>(279,664)</b>	<b>2,787,420</b>	<b>2,613,924</b>	<b>(173,496)</b>
Income	(2,453,801)	(2,391,001)	62,800	(2,728,280)	(2,554,784)	173,496
<b>NET EXPENDITURE</b>	<b>(618)</b>	<b>(217,482)</b>	<b>(216,864)</b>	<b>59,140</b>	<b>59,140</b>	<b>0</b>

### **3. ANALYSIS OF VARIANCES**

#### **3.1 General**

As a result of the Housing (Scotland) Act 2001 a significant amount of new temporary furnished accommodation has been required to be provided by the Council in recent months. In addition to this, Supporting People expenditure relating to Housing namely: 1) The Tenancy Support Team 2) External Housing Support Service Providers and 3) Former HRA Expenditure is now accounted for in General Fund Housing.

#### **3.2 Employee Costs**

Employee costs are projected to outturn £42,245 underspent due to staff vacancies in the Tenancy Support Team.

#### **3.3 Premises Costs**

Premises Costs are projected to be underspent £80,740 by the year end. £50,000 of this relates to Homeless Temporary Accommodation with a lower than anticipated requirement in the first year of the budget. The rest relates to the Tenancy Support Team who are still to move into their new premises.

#### **3.4 Supplies and Services**

Supplies and Services are projected to be underspent £37,471 by the year end, due to delays in the Tenancy Support Team moving to their new premises.

#### **3.5 Third Party Payments**

Third Party Payments are underspent £58,901 to date due to the timing of expenditure to external Housing Support Service Providers.

#### **3.6 Income**

Income is projected to outturn £173,496 under budget. £123,496 relates to Supporting People Grant for the Tenancy Support Team and is due to the variances noted above. The remaining £50,000 relates to Homeless Temporary Accommodation and is due to the level of demand being less than anticipated in the first years budget and is offset by reduced expenditure.

### **4. RECOMMENDATIONS**

#### **4.1 It is recommended that Members:**

- (i) note the content of this report.

Alex McPhee  
**Director of Finance**  
27<sup>th</sup> February 2004

James Lavery  
**Director of Homes and Technical Services**

#### **LIST OF BACKGROUND PAPERS**

**Nil**

For further information please contact James Lavery, Director of Homes and Technical Services on 01563 554875

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