

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 1 NOVEMBER 2006

**BUDGETARY CONTROL SUMMARY STATEMENT
HOUSING REVENUE ACCOUNT TO 17 SEPTEMBER 2006 (PERIOD 6)**

**Joint Report by the Executive Head of Finance and the
Executive Director of Neighbourhood Services**

1 PURPOSE OF REPORT

- 1.1 To advise Members of the current budgetary control position of the Housing Revenue Account for the period ended 17 September 2006 (Period 6).

2 OVERALL POSITION

- 2.1 The budgetary position summarised at Period 6 is detailed in Appendix A. It is anticipated that Housing Revenue Account will outturn on budget at 31 March 2007.

3 SUBJECTIVE ANALYSIS

3.1 Premises Costs

3.1.1 Voids

Void rent loss is currently projected to underspend by £420,000. This is due to lower than budgeted long term voids and is offset by additional repairs expenditure as outlined below (see 3.1.2).

3.1.2 Repairs

The opportunity will be taken to use the reduction in void rent loss and debt charges to increase expenditure on programmed maintenance.

3.2 Debt Charges

It is projected that debt financing will outturn £100,000 under budget due to a favourable cash flow profile. This variance is offset by additional expenditure as noted above (see 3.1.2).

4. RECOMMENDATIONS

- 4.1 It is recommended that Members note the contents of this report.

Alex McPhee
Executive Head of Finance

William Stafford
**Executive Director of Neighbourhood
Services**

CMCA/LA

2 October 2006

LIST OF BACKGROUND PAPERS

NIL

For further information please contact William Stafford, Executive Director of Neighbourhood Services on 01563 556023

APPENDIX A
2006/07 HOUSING REVENUE ACCOUNT
AS AT 17 SEPTEMBER – PERIOD 6

HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE SUMMARY

Actual Exp. To 17/09/06	Actual Exp. To P6 as % of Annual Estimate	Detail	Annual Estimate 2006/07	Projected Actual to 31/3/07	Variance (Favourable) / Adverse
1,489,210	45.0%	EMPLOYEE COSTS	3,310,761	3,310,761	0
6,926,790	44.9%	PREMISES COSTS	15,423,801	15,523,801	100,000
58,307	38.3%	TRANSPORT COSTS	152,350	152,350	0
484,506	10.8%	SUPPLIES & SERVICES	4,466,757	4,466,757	0
562,038	67.1%	THIRD PARTY PAYMENTS	837,270	837,270	0
0	0.0%	DEBT CHARGES	5,200,000	5,100,000	(100,000)
650,988	18.3%	CFCR / PLANNED MAINTENANCE	3,561,230	3,561,230	0
349,400	35.1%	HOMELESS HOSTELS	994,115	994,115	0
10,521,239	31.0%	TOTAL EXPENDITURE	33,946,284	33,946,284	0
(14,782,864)	46.3%	INCOME - RENTS ETC	(31,912,423)	(31,912,423)	0
(426,739)	41.0%	INCOME - OTHER	(1,039,746)	(1,039,746)	0
(448,945)	45.2%	INCOME - HOMELESS HOSTELS	(994,115)	(994,115)	0
(5,137,309)	-	NET EXPENDITURE	0	0	0
		BALANCE B/F	0	0	0
		NET BALANCE C/F	0	0	0