

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 7 SEPTEMBER 2005

HOUSING REVENUE ACCOUNT TO 24 JULY 2005 (PERIOD 4)

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 24 July 2005 (Period 4).

2 OVERALL POSITION

- 2.1** The budgetary position summarised at Period 4 is detailed in Appendix A. It is anticipated that Housing Revenue Account will outturn at £150,000 in surplus at 31st March 2006.

3 SUBJECTIVE ANALYSIS

3.1 Premises Costs

It is anticipated that void rent loss will be underspent by £100,000. This is due to a lower than budgeted number of rent loss weeks to period 4 reflecting the acceleration of the demolition programme. This is offset by a reduction in rent income (see 3.3 below).

3.2 Debt Charges

It is projected that debt financing costs will outturn £150,000 less than budget at the year-end. This is due to a favourable cash flow profile, including significant slippages in the capital programme, resulting in additional investment income.

3.3 Income

It is anticipated that House Rent income will be under recovered by £100,000. This is due to the acceleration of the demolition programme and is offset by reduced void rent loss (see 3.1 above).

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

12th August 2005

LIST OF BACKGROUND PAPERS

NIL

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

**APPENDIX A
2005/06 HOUSING REVENUE ACCOUNT
AS AT 24 JULY 2005 – PERIOD 4**

**HOUSING REVENUE ACCOUNT
FINANCIAL PERFORMANCE SUMMARY**

Phased Budget to 24/07/05	Actual Exp. To 24/07/05	Detail	Annual Estimate 2005/06	Projected Actual	Variance (Favourable) / Adverse
978,970	955,852	EMPLOYEE COSTS	3,354,205	3,354,205	0
5,631,262	5,274,846	PREMISES COSTS	15,590,810	15,490,810	(100,000)
51,218	55,106	TRANSPORT COSTS	166,140	166,140	0
1,085,378	1,074,738	SUPPLIES & SERVICES	4,314,965	4,314,965	0
334,509	317,593	THIRD PARTY PAYMENTS	807,613	807,613	0
1,692,308	1,692,308	DEBT CHARGES	5,500,000	5,350,000	(150,000)0
1,095,763	1,095,763	CFCR / PLANNED MAINTENANCE	3,561,230	3,561,230	0
303,213	333,827	HOMELESS HOSTELS	933,498	933,498	0
11,172,621	10,800,033	TOTAL EXPENDITURE	34,228,461	33,978,461	(250,000)
(9,416,626)	(9,493,111)	INCOME - RENTS ETC	(32,285,573)	(32,185,573)	100,000
(303,958)	(364,115)	INCOME - OTHER	(1,009,390)	(1,009,390)	0
(282,040)	(289,075)	INCOME - HOMELESS HOSTELS	(933,498)	(933,498)	0
1,169,997	653,732	NET EXPENDITURE	0	(150,000)0	(150,000)0
		BALANCE B/F	0	0	0
		NET BALANCE C/F	0	0	0