

**EAST AYRSHIRE COUNCIL**

**POLICY AND RESOURCES COMMITTEE – 20 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**

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 31 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**

12 August 2005

**LIST OF BACKGROUND PAPERS**

**NIL**

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

## EAST AYRSHIRE COUNCIL

## POLICY AND RESOURCES COMMITTEE – 20 SEPTEMBER 2005

## HOUSING REVENUE ACCOUNT 2005/06 TO 24 JULY 2005 (PERIOD 4)

Actual Exp. To 24/07/05	Actual Exp. To P4 as % of Annual Estimate	Detail	Annual Estimate 2005/06	Projected Actual to 31/3/06	Variance (Favourable) / Adverse
955,852	28.5%	EMPLOYEE COSTS	3,354,205	3,354,205	0
5,274,846	33.8%	PREMISES COSTS	15,590,810	15,490,810	(100,000)
55,106	33.2%	TRANSPORT COSTS	166,140	166,140	0
1,074,738	24.9%	SUPPLIES & SERVICES	4,314,965	4,314,965	0
317,593	39.3%	THIRD PARTY PAYMENTS	807,613	807,613	0
1,692,308	30.8%	DEBT CHARGES	5,500,000	5,350,000	(150,000)
1,095,763	30.8%	CFCR / PLANNED MAINTENANCE	3,561,230	3,561,230	0
333,827	35.8%	HOMELESS HOSTELS	933,498	933,498	0
<b>10,800,033</b>	<b>31.6%</b>	<b>TOTAL EXPENDITURE</b>	<b>34,228,461</b>	<b>33,978,461</b>	<b>(250,000)</b>
(9,493,111)	29.4%	INCOME - RENTS ETC	(32,285,573)	(32,185,573)	100,000
(364,115)	36.1%	INCOME - OTHER	(1,009,390)	(1,009,390)	0
(289,075)	31.0%	INCOME - HOMELESS HOSTELS	(933,498)	(933,498)	0
<b>653,732</b>	<b>-</b>	<b>NET EXPENDITURE</b>	<b>0</b>	<b>(150,000)</b>	<b>(150,000)</b>
		BALANCE B/F	0	0	0
		NET BALANCE C/F	0	(150,000)	(150,000)