

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 12 SEPTEMBER 2001

HOUSING REVENUE ACCOUNT TO 29 JULY 2001 (PERIOD 4)

Joint Report by the Director of Finance and the Director of Homes and Technical 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 29 July (Period 4).

2 OVERALL POSITION

- 2.1 The budgetary position summarised at Period 4 is detailed in Appendix A which, highlights an over spend of £0.108m at Period 4 and a projected out-turn overspend of £0.416m for the financial year 2001/2002. The budget to 29 July 2001 is based on standard phasing for each period of income and expenditure, except where the Director of Homes and Technical Services has indicated otherwise.

3 SUBJECTIVE ANALYSIS

3.1 Employee Costs

Employee Costs are underspent as a result of some vacancies within the department.

3.2 Property Costs

As at Period 4 Property Costs are over budget by £0.302m. Of this total £0.188m relates to repairs which are projected at present to out-turn at £0.498m over budget. This is due to two main factors: a projected over spend of £0.321m on Void Property Security between lets and an overspend of £0.167m on Building & Works and C.B.C. ordering due to the current level of required Housing Maintenance. Management Action has and is being taken to address the situation as far as possible.

Electricity costs are overspent at Period 4 by £0.074m and this overspend is currently being investigated.

3.3 **Administration Costs**

Voids – At Period 4 latest figures indicate that there are 829 void properties against 875 estimated for in the budget. It is expected at present that in the current year void expenditure will out-turn £0.064m under budget.

Bad Debt Provision – From 1 April 2001 Non Council House Rent Bad Debts will be provided for by the Department originating the charge. As at Period 4 figures indicate that a provision of £0.028m is required.

3.7 **Income**

Rent income is projected to outturn £0.054m below budget. This is a result of the increased level of house sales last year which resulted in a lower number of houses at the start of the current year.

4 **RECOMMENDATIONS**

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

Alex McPhee
Director of Finance

James Lavery
Director of Homes and Technical Services

5th September 2001

LIST OF BACKGROUND PAPERS NIL

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

AGENDA