
Report to: Clackmannanshire Council

Date of Meeting: 25 November 2021

Subject: Council Financial Performance 2021/22 – August Outturn

Report by: Chief Finance Officer

1.0 Purpose

1.1 This paper provides an update on the financial performance for the Council, as at August 2021, in respect of the:

- General Fund (GF) revenue and capital spend and the achievement of savings to date, for the current financial year, 2021/22; and
- Housing Revenue Account (HRA) revenue and capital spend, for the current financial year, 2021/22.

2.0 Recommendations

2.1 Committee is asked to note the report, commenting and challenging as appropriate on:

2.1.1 GF revenue spend is forecasted overspend of £2.445m for the year to 31 March 2022, prior to allocation of £1.500m Covid19 funding resulting in a net projected overspend of £0.945m;

2.1.2 the Clackmannanshire element of the Health and Social Care Partnership (H&SCP) forecasted overspend for the year to 31 March 2022 of £1.535m;

2.1.3 the HRA forecasted revenue underspend for the year of £(0.090)m to 31 March 2022;

2.1.4 the Housing Revenue Account Capital forecasted underspend of £(0.468)m which will be proposed to carry forward to 2022/23;

2.1.5 the General Fund Capital programme is forecasting an underspend of £(1.316)m as at June 2021 and an update will be provided to the next Committee, and

2.1.6 progress to date in delivering the £2.126m approved savings programme, currently forecast to achieve 87.6%, as at 31 March 2022.

3.0 Background

3.1 This report summarises the forecasted financial position of the Council for the financial year ended 31 March 2022. This report consolidates all of the detailed financial data to provide a summary position. The report also provides details of individual Directorate positions.

4.0 General Fund Revenue

4.1 As at 31 August 2021 the General Fund is forecasting an overspend of £2.445m and the Clackmannanshire element of the H&SCP is forecasting an overspend of £1.535m, which brings the Council's overall position to an overspend of £3.980m for the year to March 2022 before allocation of COVID funding.

4.2 **Appendix 1** provides the breakdown by each Directorate and centrally held Corporate Service areas along with the position for Partnerships and Sources of Funding. Detailed variance analysis has been provided to each portfolio Committee.

4.3 Covid19 continues to impact the delivery of Services as we move through the Recovery phase of the pandemic. Elements of the variances attributable to Covid19 are shown within **Appendix 1** totalling £2.174m across the Directorates. The majority of this sits within the People Directorate with £1.525m attributable to Social Services Childcare. This mainly relates to Residential placements (£1.100m) and Corporate Parenting (£0.425m).

4.4 Loss of income continues to impact as chargeable services slowly start to reopen during the year. This is also reflected in the variances attributable to Covid19 within **Appendix 1**.

4.5 The Council received funding during 2020/21 and 2021/22 to mitigate the financial impact of Covid19. £1.500m of this is held within earmarked reserves which when applied to the projected general fund overspend due to Covid19 of £2.174m, reduces this to £0.674m. This would then reduce the projected general fund overspend of £2.445m to £0.945m. The financial impact of COVID will continue to be monitored and reported along with any additional funding received.

5.0 Clackmannanshire & Stirling Health and Social Care Partnership (H&SCP)

5.1 The Clackmannanshire element of the Health and Social Care Partnership is forecasting an overspend of £1.535m for the financial year. This is a favourable movement of £(0.138)m since the June outturn. Forecasts are based on financial performance for quarter 2 and care commitments recorded in the social care management information service (CCIS) forecast for the remainder of the year.

5.2 Detail of the forecast variances that make up this overspend are shown in **Appendix 3** which has been reported to the Integration Joint Board Finance and Performance Committee as part of their consolidated financial report.

- 5.3 This forecasted overspend should be viewed alongside the latest overall projected overspend on the Integrated Budget of the Health and Social Care Partnership for delegated Health and Social Care Services of £2.969m inclusive of COVID related demand pressures. This position was reported to the Integration Joint Board Finance and Performance Committee on 20 October 2021.
- 5.4 There still appears to be a Covid19 related impact on the levels of additional demands being observed to both maintain citizens care in their own homes in their communities and support discharge from acute hospital and other residential care. Therefore some additional funding support is being sought from Scottish Government via the quarterly Covid19 financial return. Quarterly returns are being submitted to Scottish Government and will be subject of review and consideration. Therefore any potential additional Scottish Government support is not assumed at this point. No Scottish Government support for unachieved savings is assumed in the current financial year as was provided in 2020/21 financial year.
- 5.5 The Integration Scheme requires a budget recovery plan to be prepared and it is envisaged the issues detailed above and detailed within the variances in **Appendix 3** would form the basis of such a recovery plan.

6.0 General Fund Capital

- 6.1 General Fund capital is forecasting an underspend of £(1.316)m to March 2022 as at June 2021. An update on this forecast will be provided to this Committee at its next meeting in February.

7.0 Progress on 2021/22 Approved Savings

- 7.1 At its budget meeting in March 2021, Council approved savings of £2.126m to be made in 2021/22. The table below shows the split of these savings across Directorates and indicates the forecasted achievement of those savings by 31 March 2022.

Table 2: General Services Revenue Budget 2021/22 distribution of planned savings by Directorate and forecasted achievement.

Directorate	Achieved		At Risk	Unlikely to be achieved
	Approved Savings 2021/22	/Likely to be achieved		
	£'000	£'000	£'000	£'000
People	682	582	0	100
Place	776	751	25	0
Performance & Partnerships	668	530	138	0
Total approved savings	2,126	1,863	163	100
		87.6%	7.7%	4.7%

7.2 The above table indicates that 87.6% of savings have been or are likely to be achieved, with a further 12.4% at risk or unlikely to be achieved in 2021/22, these comprise of;

- PEMGT11 (£0.100m) - Review of high cost placements. There is currently an ongoing review of Commissioned Services within People and this saving will not be met in 2021/22, it is anticipated this will be met in 2022/23.
- PLPOL10 (£0.025m) – Targeted reduction in council generated waste. This is under review by the service but not expected to be met in 2021/22.
- P&PMGT5 (£0.138m) – Homelessness income cash saving. Based on current figures this saving is not expected to be met in full but this saving is demand driven and the position may change as actual figures become available.

The non-achievement of these savings are not thought to be as a direct result of Covid19.

7.3 Further detail of progress on individual savings within each directorate is provided in **Appendix 2**.

8.0 Financial Risks

The forecasts provided above are based on information currently available. The Covid19 pandemic has had a significant impact on the councils financial position through increased and additional costs, loss of income and the ability to achieve savings. This may be partly offset by some small savings from Services that are not being fully delivered or reprioritised.

Fluctuations in forecasts are to be expected throughout the year as the current situation continues and further updates will be brought to Committees as required.

9.0 Housing Revenue Account (HRA)

9.1 Revenue

The HRA Revenue account is forecasting a surplus of £(5.735)m which is £(0.090)m more than the budgeted surplus which is an improvement of £(0.208)m since the last forecast in June. **Appendix 4** provides details of the forecasted spend to 31st March 2022 with details of variances in **Appendix 5**.

9.2 Capital

9.3 The current net HRA Capital Budget is £8.992m. This is inclusive of carry forward of £2.501m from 2020/21 which was mainly due to slippage in planned work due to lockdown restrictions which will now be carried out in 2021/22.

9.4 At this time the HRA Capital Programme is forecast to underspend on its budget. The programme has previously been impacted with the recent Covid19 restrictions that were in place. The expectation is however that the majority of the programme will be delivered this year along with the uncompleted projects brought forward from 2020/21. Where slippage is identified, it is intended that this will be carried forward into 2022/23 for completion. This will be continually monitored during the year and any variances will be reported to committee through these reports.

9.5 **Appendix 6** provides details of the HRA capital programme for the current year, with individual projects listed within the various asset management plans.

10.0 Conclusions

10.1 General Fund revenue spend is forecasting an overspend of £2.445m for the year to 31 March 2022 before allocation of £1.500m Covid19 funding resulting in a net projected overspend of £0.945m;

10.2 The Clackmannanshire element of the H&SCP is forecasting an overspend of £1.535m for the year to 31 March 2022;

10.3 The Housing Revenue Account (HRA) revenue is forecasting an underspend for the year of £(0.090)m to 31 March 2022;

10.4 The Housing Revenue Account Capital forecasted underspend of £(0.468)m which will be proposed to carry forward to 2022/23.

10.5 The General Fund Capital programme is forecasting an underspend of £(1.316)m as at June 2021 and a further update will be provided to the next Committee, and

10.6 Of the £2.126m approved savings programme, 87.6% are forecast to be achieved.

11.0 Sustainability Implications

11.1 There are no direct environmental sustainability implications arising from this report.

12.0 Resource Implications

12.1 *Financial Details*

12.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

12.3 Finance has been consulted and has agreed the financial implications as set out in the report. Yes

12.4 *Staffing*

12.5 There are no direct staffing implications arising from this report.

13.0 Exempt Reports

13.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

14.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

- Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
- Our families; children and young people will have the best possible start in life
- Women and girls will be confident and aspirational, and achieve their full potential
- Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies** (Please detail)

15.0 Equalities Impact

- 15.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
 Yes No

16.0 Legality

- 16.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

17.0 Appendices

- 17.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 – Council Summary at August 2021

Appendix 2 – Summary Savings by Directorate at August 2021

Appendix 3 – HSCP Variances at August 2021

Appendix 4 – HRA Revenue Outturn at August 2021

Appendix 5 – HRA Variances at August 2021

Appendix 6 – HRA Capital Outturn at August 2021

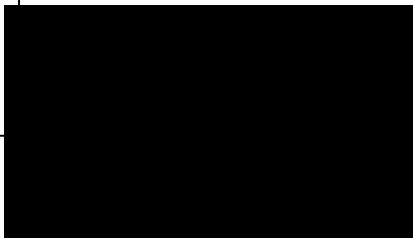
18.0 Background Papers

- 18.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
 Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Elizabeth Hutcheon	Management Accountancy Team Leader	6214

Approved by

NAME	DESIGNATION	SIGNATURE
Lindsay Sim	Chief Finance Officer	
Stuart Crickmar	Director of Partnership & Performance	

	<i>Revised Budget August £'000</i>	<i>Forecast to March 2022 £'000</i>	<i>Variance Forecast to Budget £'000</i>	<i>Variance due to Covid £'000</i>	<i>Variance due to non Covid £'000</i>
Resource & Governance	6,440	6,385	(55)	0	(55)
Strategy & Customer Services	3,351	3,461	110	100	10
Executive Team	511	478	(33)	0	(33)
Development & Environmental	15,488	15,330	(158)	63	(221)
Education Service	59,965	60,268	304	84	220
Housing & Community Safety	6,258	6,696	438	272	166
Social Services	15,429	16,854	1,425	1,525	(100)
Health & Social Care Partnership	19,875	21,410	1,535	0	1,535
Corporate Services	(374)	(30)	344	130	214
Misc Services - Non Distributed Costs	1,100	1,100	(0)	0	(0)
	128,043	131,952	3,909	2,174	1,735
less allocated to non general fund	(1,305)	(1,305)	0	0	
Services Expenditure	126,738	130,647	3,909	2,174	1,735
Add Requisitions from Joint Boards					
Central Scotland Valuation	459	459	0	0	0
	127,197	131,106	3,909	2,174	1,735
Add/Deduct					
Interest on Revenue Balances	(91)	(20)	71	0	71
Loans Fund Contribution	4,829	4,829	0	0	0
Contribution to Bad Debt Provision	200	200	0	0	0
	132,135	136,115	3,980	2,174	1,806
Sources of Funding					
General Revenue Funding/Non-Domestic Rates	(106,805)	(106,805)	0	0	0
Council Tax	(23,716)	(23,716)	0	0	0
Council Tax Reduction Scheme	0	0	0	0	0
Contribution from Reserves	0	0	0	0	0
Capital Stimulus Fund	0	0	0	0	0
Application of unapplied Capital receipt	(729)	(729)	(0)	0	(0)
Contribution from Earmarked Reserves	(885)	(885)	0	0	0
Contribution from Uncommitted Reserves	0	0	0	0	0
	(132,135)	(132,135)	0	0	0
Projected (Surplus)/Shortfall	(0)	3,980	3,980	2,174	1,806
Summarised by Division					
People	77,560	79,352	1,792	1,694	98
Place	18,867	18,805	(62)	44	(106)
Partnership & Performance	11,015	11,315	300	306	(6)
Health & Social Care Partnership	19,875	21,410	1,535	0	1,535
Corporate Services	4,564	4,979	415	130	285
Central Scotland Valuation	459	459	0	0	0
	132,341	136,320	3,980	2,174	1,806

Management Efficiencies

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service Updates
PEMGT2	External recharges to Regional Improvement Collaborative - CASH	79,830	79,830				Saving achieved
PEMGT3	Devolved school management savings	40,009	40,009				Saving likely to achieve
PEMGT5	Saving on subscription- Community L&D	3,600	3,600				Saving achieved
PEMGT6	Saving on Book Fund	5,000	5,000				Saving achieved
PEMGT7	PPP insurance rebate	7,000	7,000				Saving likely to achieve
PEMGT8	Speech & Language therapy	37,000	37,000				Saving likely to achieve
PEMGT9	Devolved underspend- CASH	100,000	100,000				Saving achieved
PEMGT10	Educational Psychology post into mental health	30,000	30,000				Saving likely to achieve
PEMGT11	Care cubed- Review of high cost placements	100,000			100,000		There is currently a review of Commissioned Services for Children underway and this saving will not be achieved in 21/22 but will move to 22/23
Total	Management Efficiencies	402,439	302,439	0	100,000	0	

Transformation

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service Updates
PEMGT1	Transforming secondary curriculum	247,275	247,275				Saving likely to achieve
	Transforming Early Years Curriculum	32,000	32,000				Saving achieved
		279,275	279,275	0	0	0	

Summary By Type	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £
Management Efficiencies	402,439	302,439	0	100,000	0
Transformation	279,275	279,275	0	0	0
Total Division	681,714	581,714	0	100,000	0

85.3% 0.0% 14.7% 0.0%

Management Efficiencies

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service Updates
P&PMGT1	Reduction in Corporate Training Budget	12,000	12,000				Saving is achieved
P&PMGT2	To consolidate various approaches around cash handling	15,000	15,000				Initial data being gathered to enable procurement to proceed
P&PMGT3	Reduction in Various Budget Lines	1,200	1,200				Saving is achieved
P&PMGT4	Budget realignment in Strategy and Performance (across mileage, supplies and subscriptions).	3,000	3,000				Saving is achieved
P&PMGT5	Homeless Income - CASH	150,000	12,000	138,000			Early indications are that the grant percentage received last year will not be sufficient to cover the full saving.
P&PMGT6	Vacancy management based on turnover levels	290,000	290,000				This is outturned within the services.
P&PMGT9	Triennial valuations of pensions	162,000	162,000				
P&PMGT11	Budget Realignment - postages & stationery	2,000	2,000				Saving is achieved
P&PMGT12	Mileage - CASH	30,000	30,000				This is outturned within the services.
Total	Management Efficiencies	665,200	527,200	138,000	0	0	

Policy

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service Updates
P&PPOL3	To remove the residual budget remaining to conduct a citizens survey previously titled Clacks 1000.	3,000	3,000				Saving achieved.
		3,000	3,000	0	0	0	

Summary By Type	2021/22 £	Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £
Management Efficiencies	665,200	527,200	138,000	0	0
Policy	3,000	3,000	0	0	0
Total Division	668,200	530,200	138,000	0	0

79.3% 20.7% 0.0% 0.0%

Management Efficiencies

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service updates
PLMGT1	Modern Apprenticeship Scheme	21,550	21,550				Saving is achieved
PLMGT2	Trading Standards SLA - CASH	30,000	30,000				Saving is achieved
PLMGT3	Corporate Energy Budget Savings	2,917	2,917				Saving is achieved
PLMGT6	Homelessness Income	300,000	300,000				Saving is achieved
PLMGT7	Homelessness Income - CASH	100,000	100,000				Saving is achieved
PLMGT8	Office moves	20,000	20,000				Saving is achieved
PLMGT9	Mail room	2,500	2,500				Saving is achieved
PLMGT12	Cash saving - Budget realignment within Economic Development - CASH	60,000	60,000				Saving is achieved
PLMGT14	GF Housing realignment	20,000	20,000				Saving is achieved
PLMGT15	GF Housing realignment- CASH	80,000	80,000				Saving is achieved
PLMGT16	Garden waste	50,000	50,000				Saving is achieved
PLMGT17	Decrease in Non Domestic Rates due to Rate poundage	44,000	44,000				Saving is achieved
Total	Management Efficiencies	730,967	730,967	0	0	0	

Policy

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service updates
PLPOL01	Generate income through corporate sponsorship of Council Assets: Roundabouts, Parks, Open Spaces, Roads, Cycle Paths	10,000	10,000				Service has advised this will be fully achieved
PLPOL10	Targeted reduction in council generated waste	25,000		25,000			Under review with Service
Total	Policy	35,000	10,000	25,000	0	0	

Transformation

Service Reference	Description of Saving	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £	Service updates
PLMGT17	Community Participation in the Provision of Annual Bedding Schemes	10,000	10,000				Saving is achieved
Total	Transformation	10,000	10,000	0	0	0	

Summary By Type	2021/22 £	Achieved/Likely to be achieved £	Amber £	Red £	Unachieved due to Covid £
Management Efficiencies	730,967	730,967	0	0	0
Policy	35,000	10,000	25,000	0	0
Transformation	10,000	10,000	0	0	0
Total Division	775,967	750,967	25,000	0	0

96.8% 3.2% 0.0%

Variances at 31 August 2021

Appendix 3

	Annual Budget 2021/22	Forecast to August 2021	Variance Forecast to Budget at August	Variance due to Covid	Variance due to Non Covid	Variance Forecast to Budget at June	Movement in variance June to August	Narrative
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Employees								Underspend across a range of services: including: Integrated Mental Health £(410k); Disability Day Care £(183k); Assessment & Care Management including Hospital Discharge £(105k) Intermediate Care £(52k) and Reablement £(58k). There is an overspend at Menstrie House of £252k and Ludgate Respite £88k (Excludes Covid related costs to be charged to NHS Mobilisation Fund) The increased underspend is the result of slippage in recruitment.
	8,716	7,991	(726)		(726)	(613)	(113)	
Long Term Care								
Nursing Homes								Nursing Home places fell by 55 at the start of the year but have now risen to 210 as homes have re-opened to admissions. This forecast is potentially subject to significant volatility depending on the future course of the pandemic. The movement reflects the increase in placements since June.
	7,626	8,649	1,023		1,023	851	172	
Residential Homes								Overall numbers remain stable at around 60. The movement is due to a realignment of budgets following the allocation of growth funds.
	3,169	3,171	2	0	2	(598)	600	
Community Based Care								
Care at Home								The forecast reflects the impact of Covid on the delivery of Care at Home with weekly hours currently standing at 12,000 compared to pre covid levels of 10,000. The full impact of Covid on service delivery is being reviewed to identify potential to charge costs to the NHS Mobilisation Fund. The positive movement since June is the result of the allocation of growth funding.
	8,728	9,664	936		936	2,102	(1,166)	
Day Care								Day Care for approximately 42 service users of which 19 have complex needs.
	230	250	21		21	22	(1)	
Direct Payments								Numbers have increased from 70 to 73 service users receiving a direct payment. The forecast has been revised to reflect actual pattern of payments to date. The movement since June reflects the increased number of payments.
	953	1,172	219	0	219	114	105	
Housing Aids and Adaptations								Demand driven adaptations within private sector homes. The number of adaptations was significantly impacted by Covid, but are now progressing.
	159	160	1	0	1	1	0	
Housing with Care								This budget is for Supported Accommodation provided by external organisations. Expenditure is less than budget as some of the care has transferred to Care at Home.
	163	110	(54)	0	(54)	(54)	1	
Respite								Costs for respite continue to increase as Respite plans for the year are confirmed.
	129	89	(40)	0	(40)	(29)	(12)	
Misc. Third Party Payments								This heading covers various payments to other agencies including other local authorities, registration fees and payments to voluntary organisations. The overspend is on payments for complex care and third sector organisations. The movement reflects the allocation of growth funds to address service pressures.
	1,080	1,321	241	0	241	(213)	454	
Premises Expenditure								The budget covers cleaning materials within operational buildings. This heading includes Covid related costs for cleaning materials.
	11	34	23		23	23	0	
Supplies and Services								Includes equipment, house adaptations, food and insurance, postage, printing and administration.
	403	377	(26)		(26)	(26)	(0)	
Transport Expenditure								Travel costs underspent as a result of Covid
	48	35	(13)		(13)	(8)	(5)	
Income								
Income								This income is largely contributions towards the cost of care. Movement since June reflects increased income for Residential Rare and Home Care as services re-open.
	(4,269)	(4,398)	(129)		(129)	127	(256)	
Resource Transfer (Health)								Includes income from NHS, integration funding and contributions for complex care as well as forecast contributions from the NHS Mobilisation fund for Covid.
	(7,271)	(7,215)	56		56	(26)	82	
Total	19,875	21,410	1,534	0	1,534	1,673	(138)	

Service Summary - Housing Revenue Account

As at August 2021

Description	Annual Budget for 2021-22	Forecast to March 2022	Variance August Forecast to Budget
Chief Officers Gross Salaries	23,968	23,968	0
Chief Officers Employers Superann	5,393	5,393	0
Chief Officers Employers NIC	529	529	(0)
Single Status Gross Salaries	6,046,802	5,416,192	(630,611)
Single Status Employers Superann	1,331,458	1,203,225	(128,232)
Single Status Employers NIC	568,261	511,294	(56,967)
Single Status Overtime	260,000	409,200	149,200
Single Status Absence Pay	0	39,039	39,039
Trainee Allowances Gross Salaries	16,262	13,171	(3,091)
Long Service Awards	2,350	2,350	0
Salary Related Admin Costs	2,160	0	(2,160)
Employee Management Costs	3,000	3,000	(0)
Conference Expenses And Subsistence	(0)	0	0
Staff Training	88,000	68,000	(20,000)
Vacancy Management	(430,233)	0	430,233
	7,917,950	7,695,362	(222,588)
Corporate Building Repairs	0	18,163	18,163
Annual Maintenance External Providers	300,000	250,000	(50,000)
Grounds Maintenance	0	0	0
Cleaning & Hygiene Materials	1,500	1,500	0
Gas	6,000	6,000	(0)
Electricity	20,000	20,000	(0)
Void Rent Loss	450,000	425,150	(24,850)
Rates	3,000	17,000	14,000
Council Tax	10,000	22,000	12,000
Property Insurance	203,000	209,060	6,060
Bad Debt Provision	400,000	400,000	(0)
Building Costs - Recharges Internal	103,000	103,000	(0)
Land Services - Internal Recharges	50,000	50,000	(0)
	1,546,500	1,521,873	(24,627)
Short Term Vehicle Hire	4,000	6,000	2,000
Staff Travel Mileage Expenses	23,500	2,129	(21,371)
Vehicles - Maintenance Recharges	345,000	393,000	48,000
	372,500	401,129	28,629
Purchase Of Equipment	23,070	52,570	29,500
Purchase Of Furniture	(8,000)	0	8,000
Storage & Removal Charges	2,000	2,000	(0)
Materials (issued from Stock)	700,000	799,000	99,000
Materials - Direct purchases from suppliers	450,000	550,000	100,000
General Consumables (small items)	35,500	45,500	10,000
Equipment Maintenance	10,000	20,000	10,000
Equipment Rental/Leasing	20,000	20,000	0
Scaffold Hire	50,000	50,000	0
Medical Supplies	1,100	1,100	0
Hospitality	100	100	(0)
Uniforms & Clothing	6,280	6,280	0
Office Equipment - Purchases	3,650	3,650	0

<i>Description</i>	<i>Annual Budget for 2021-22</i>	<i>Forecast to March 2022</i>	<i>Variance August Forecast to Budget</i>
Printing & Photocopying	7,800	4,000	(3,800)
Stationery	6,260	4,860	(1,400)
Publications	500	500	0
Insurance	32,120	42,311	10,191
Professional Fees	60,650	43,650	(17,000)
Performing Rights	300	300	(0)
Postages	8,000	4,500	(3,500)
Legal Expenses	32,000	16,000	(16,000)
Subscriptions	20,600	15,600	(5,000)
Telephones	150	150	0
Mobile Telephones	33,810	32,810	(1,000)
Computer Hardware Purchase	20,000	20,000	(0)
Computer Software Purchase	163,500	163,500	0
Computer Software Maint.	83,300	83,300	0
	1,762,690	1,981,681	218,991
Other Council Accounts	552,620	552,120	(500)
Voluntary Organisations Payment	67,730	67,730	0
Payments To Contractors	98,200	98,200	0
Payment To Subcontractor	500,000	500,000	0
Payments To Individuals	0	1,300	1,300
	1,218,550	1,219,350	800
Support Services	1,204,000	1,204,000	0
	1,204,000	1,204,000	0
Loans Fund Interest	1,154,700	1,312,185	157,485
Debt Management Expenses	23,370	20,400	(2,970)
Principal Repayments	304,000	304,185	185
	1,482,070	1,636,770	154,700
Total Expenditure	15,504,260	15,660,166	155,906
Charges for Services Standard VAT	(61,400)	(12,000)	49,400
Sponsorship Income	0	(0)	(0)
Other Income	(5,740)	(13,312)	(7,572)
Housing Rents	(19,850,150)	(19,889,870)	(39,720)
General Rents	(62,350)	(62,350)	(0)
Interest(Revenue Balance)	(10,000)	(10,000)	0
Internal Trading Contract	(1,160,000)	(1,407,900)	(247,900)
Total Income	(21,149,640)	(21,395,432)	(245,792)
Net Surplus	(5,645,380)	(5,735,266)	(89,887)

Place Directorate
HRA Variances at 31 August 2021

Appendix 5

Housing Revenue Account	Annual Budget 2021/22	Forecast to March 20210	Variance Forecast to Budget at August	Variance due to Covid	Movement in variance June to August	Narrative
	£'000	£'000	£'000	£'000		
Employee expenditure	7,918	7,695	(223)	0	(309)	Employee expenditure is forecast to underspend by £(0.223)m, an improvement of £(0.309)m. Tenancy Team has reduced the salaries expenditure by £(0.118)m with non filling of vacancies and increased maternity leave. Service Delivery continues to have difficulties with resourcing & recruiting and this has resulted in a saving of £(0.119)m. The initial levels of overtime have reduced and the forecast has been reduced by £(0.045)m. Other amendments including superannuation & long term sick account for a saving of £(0.026)m.
Premises expenditure	1,547	1,522	(25)	0	(62)	Reduced use of Private Contractors and Void expenditure now anticipated.
Transport expenditure	373	401	29	0	42	Increased internal costs as increased number of vehicles continues to be required for safe working practices.
Supplies and Services	1,763	1,982	219	219	258	The Service is now start to feel the impact of increased costs in stock and materials arising from Brexit & Covid. There is also a backlog on equipment servicing and replacement required.
Third Party Payments	1,219	1,219	0	0	0	No variance
Support services	1,204	1,204	0	0	0	No variance
Capital financing costs	1,482	1,637	155	0	155	The budget for the HRA was based on the anticipated actual on the interest payable. The updating of this has resulted in an increase in the forecast interest.
Total Gross Expenditure	15,504	15,660	156	219	84	
Income	(21,150)	(21,395)	(245)	0	(292)	Income is forecast to overachieve by £(0.245)m, an increase of £(0.292)m. The initial increased overtime has now been reflected in increased rechargeable work from Elections of £(0.063)m. £(0.200)m additional income form work carried out on public buildings and £(0.019)m for other ad hoc capital jobs.
Total Net Expenditure	(5,645)	(5,735)	(90)	219	(208)	

Housing Capital Programme 2021-22 Period to August 2021	Project Code	21-22 Net Budget	Net Expenditure to 31/08/21	Forecast as at 31/08/21	Forecast to Budget Variance	Comment	C/F to 2022-23
SCOTTISH HOUSING QUALITY STANDARD							
TACKLING SERIOUS DISREPAIR PRIMARY BUILDING ELEMENTS							
Structural Works							
Structural Upgrades	10192	400,000	3,315	400,000	0	Emergency works & Barnhill Park. Works undertaken at High Street Alloa for Urgent Building Warrant - Job Concluded 9 of September 2021. Awaiting Final Valuation Including Engineering Fees - Budget will spend out .	
Asbestos Testing for Council Houses	10071	20,000	1,229	20,000	0	Reactive Works	
Asbestos Removal Works for Council Houses	10072	50,000	9,343	50,000	0	Reactive Works	
Structural Works		470,000	13,887	470,000	0		
SECONDARY BUILDING ELEMENTS							
Damp/Rot							
Damp & Rot Works	10195	100,000	58,109	100,000	0	Statutory work on Tolerable standard - Work Progressing . Will Spend out Budget	
Damp/Rot		100,000	58,109	100,000	0		
Roofs / Rainwater / External Walls							
Roof & Render Upgrading Works	10196	1,000,000	405,174	1,000,000	0	Programme on site extra costs but will remain within budget. Programme on Track to Spend out	
Roofs / Rainwater / External Walls		1,000,000	405,174	1,000,000	0		
Windows							
Window Replacement	10197	1,768,000	500,798	1,300,000	(468,000)	Contractor on site and Extra Resource on to catch up on programme - Forecast Underspend Uncertainty around the need for carry forward as new contract to be procured which might lead to delays in starting.	(468,000)
Windows		1,768,000	500,798	1,300,000	(468,000)		
		2,868,000	964,081	2,400,000	(468,000)		
ENERGY EFFICIENCY							
Central Heating - Design and Installation 2019-22	10193	112,000	41,913	112,000	0	Contractor working on Emergency Failures and Void Only - Budget will outturn	
Weir Multicon Upgrade 2018-2020	10178	750,000	496,781	750,000	0	Contractor on site at present. Potential Grant Income of £310k to supplement the Programme through BEIS . Project Will conclude in October 2021.	
Renewable Central Heating Systems	10232	60,000	0	60,000	0	Early design stages and discussions. Pilot Addresses given to Current Heating Term Contractor to Scope out and Cost up Options - Budget will outturn	
Energy Performance Certificates Programme	10233	10,000	0	10,000	0	Programme due to commence October 2021. Budget will spend out	
Full/Efficient Central Heating		932,000	538,693	932,000	0		
MODERN FACILITIES & SERVICES							
Kitchen Renewal							
Kitchen Replacement 2017-20	10158	200,000	35,390	200,000	0	Internal team working on this . Voids and Emergency Failure Only .	
Kitchen Renewal		200,000	35,390	200,000	0		
Bathrooms							
2016-20 Bathroom Replacements PCU Team	10141	50,000	17,267	50,000	0	Internal team working on this- Voids and Emergency Failures	
Bathrooms		50,000	17,267	50,000	0		
		250,000	52,657	250,000	0		
HEALTHY, SAFE & SECURE							
Safe Electrical Systems / CO Detectors							
Safe Electrical systems 2018-22	10171	1,100,000	34,649	1,100,000	0	Contractor Started back on site on the 9th of August 2021. Full Programme of works to meet the changes to the Tolerable Standard	Potential Carry Over Required due to late start
Safe Electrical Systems		1,100,000	34,649	1,100,000	0		
Communal Areas (Environmentals)							

Housing Capital Programme 2021-22 Period to August 2021	Project Code	21-22 Net Budget	Net Expenditure to 31/08/21	Forecast as at 31/08/21	Forecast to Budget Variance	Comment	C/F to 2022-23
External Works : Fencing, Gates, Paths	10090	315,000	0	315,000	0	Programme on Site - Budget will outturn	
Secure Door Entry Upgrade 2021-25 Communal Areas (Environmentals)	10160	130,000	0	130,000	0	New Contractor has been Appointed - Pilot Addresses Being Worked on	
		445,000	0	445,000	0		
		1,545,000	34,649	1,545,000	0		
NON-SHS ELEMENTS PARTICULAR NEEDS HOUSING (CITC)							
Conversions & Upgradings Conversions & Upgradings	10092	75,000	300	75,000	0	Working with Social Services. Early Conversations with Trades Resource at Kelliebank for Bathroom Adaptation Catch Up Programme	
Conversions & Upgradings		75,000	300	75,000	0		
Disabled Adaptations							
Aids & Adaptations Disabled Adaptations	10161	50,000	0	50,000	0	Discussions with PCU Trades team on kick starting the programme for Bathroom Adaptations - Week Beginning 13th of September - Confident that the budget will outturn	
		50,000	0	50,000	0		
Environmental Improvements							
HRA Roads & Footpaths Improvements	10099	100,000	0	100,000	0	Works Committed Through Roads Team	
MCB Tenant Community Improvement Fund Environmental Improvements	10100	402,000	7,718	402,000	0	Major project being carried out in alloa/sauchie by land services.	
		502,000	7,718	502,000	0		
		627,000	8,018	627,000	0		
Council New Build Housing							
Off The Shelf Purchase	10105	1,353,000	86,716	1,353,000	0	At present the housing market is bouyant and Service does not want to flame this by increasing bids. This may require a reassessment of the strategy on this project.	
Estate Management Redesign Council New Build Housing	10234	50,000	0	50,000	0	Metings on Chapelle Ongoing - Initial Cost Proposals forwarded to Housing	
		1,403,000	86,716	1,403,000	0		
		1,403,000	86,716	1,403,000	0		
OTHER							
Other Costs / HBMS							
Construction Design Management	10143	30,000	0	30,000	0	New Contract Currently being Procured Tender Returns Currently Being Evaluated - OM 9/9/21	
Computer Equipment - New (HBMS)	10111	260,000	0	260,000	0	Purchase and implementation of this will require significant internal investment from the current staff to ensure maximum benefit.	
Lock Up Strategy	10185	200,000	0	200,000	0	Demolition Tender Currently Being Evaluated - 9/9/21	
Westhaugh Travelling Site - Alva IT Infrastructure - Clacks IT	10186 10188	239,000 21,000	21,157 1,575	239,000 21,000	0 0	Funding bid submitted in August 21 and Outcome will be known in October 2021.	
Demolitions Other Costs / HBMS	10200	147,000		147,000	0	Possibility that this could be used at Glentana Mill.	
		897,000	22,732	897,000	0		
TOTAL CAPITAL EXPENDITURE		8,992,000	1,721,432	8,524,000	(468,000)		
Sale of Council Property Sale of Council Land Sale of Council Property	10148	0 0	0 0	0 0	0 0		
NET EXPENDITURE		8,992,000	1,721,432	8,524,000	(468,000)		(468,000)