

DERBY HOMES MANAGEMENT ACCOUNTS 11 MONTHS TO 28 FEBRUARY 2003 AND FORECAST OUT-TURN AS AT 31 MARCH 2003

Report of the Director of Derby Homes

SUMMARY OF REPORT

- 1.1 The report tables management accounts for Derby Homes for April 2002 – February 2003. It compares actual expenditure for February against a profiled budget for the month and extracts a difference. It also compares cumulative expenditure for 11 months against a cumulative budget and extracts a difference.
- 1.2 This report also tables an amended forecast to 31 March 2003.

RECOMMENDATIONS

2. To note the report and appendices.

MATTER FOR CONSIDERATION

- 3.1 The attached appendices to the report show management accounts for February 2003 and the year to date.
- 3.2 On 12 February 2003, Derby Homes were notified Derby City Council supported the planned approach at officer level for the use of the additional revenue and capital fee. The expenditure of this additional budget has been profiled over January to March 2003, and the report reflects this. As a consequence the analysis in Appendix 2 incorporates these changes.

- 3.3 On 18 March 2003, Derby City Council Cabinet approved a revised management fee for Derby Homes for 2002/03. This has led to additional fee income of £334,000 consisting of:
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|---|-------------|
| | <u>£000</u> |
| funding to enable the outright purchase, rather than leasing, of furniture packs for furnished tenancies during 2002/03. This income has not been profiled into the February management accounts as the expenditure will be charged in March. | 320 |
| funding for the payment of council tax charges on empty Council Houses. The majority of the expenditure for this has previously been incurred, and so this income is reflected in the increased surplus forecast to 31 March 2003. | 32 |
| a reduction of the previously approved additional capital fee which will now be profiled in 2003/04. | (18) |
| | <u>334</u> |
- 3.4 The management fee is subject to further examination and review by Derby City Council and Derby Homes, and as a consequence may need further revision.
- 3.5 The forecast out-turn for 2002/03 is shown in Appendix 2 together with an explanation of the changes to the forecast out-turn since the report to the Derby Homes Board on 27 February 2003.
- 3.6 The forecast out-turn for 2002/03 has been updated to reflect the results for February 2003.
- 3.7 In December 2002 Derby City Council implemented a new combined Human Resource and Payroll system called 'Vision'.
- 3.8 Problems are still being experienced with the transfer affecting the accounts of Derby Homes. These problems include
- payroll expenditure posting to suspense
 - essential car user expenditure coded to salaries codes
- 3.9 There is no facility currently available to correct these errors. However, these accounts have been manually adjusted and therefore reflect anticipated actual costs for February 2003.
- 3.10 The report shows a rounded underspend of £2,000 for February 2003.

CONSULTATION IMPLICATIONS

4. None.

FINANCIAL AND BUSINESS PLAN IMPLICATIONS

5. Those reflected in the body of the report.

LEGAL AND CONFIDENTIALITY IMPLICATIONS

6. None.

PERSONNEL IMPLICATIONS

7. None.

ENVIRONMENTAL IMPLICATIONS

8. None.

EQUALITIES IMPLICATIONS

9. None.

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