

**DERBY HOMES MANAGEMENT ACCOUNTS 9 MONTHS TO 31
DECEMBER 2002 AND FORECAST OUT-TURN AS AT 31 MARCH
2003**

Report of the Director of Derby Homes

SUMMARY OF REPORT

- 1.1 The report tables notional management accounts for Derby Homes for April – December 2002. It compares actual expenditure for December against a profiled budget for the month and extracts a difference. It also compares cumulative expenditure for 9 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 notional management accounts for December 2002 and the year to date.
- 3.2 In December 2002 Derby City Council implemented a new combined Human Resource and Payroll system called 'Vision'.
- 3.3 Problems have been experienced with the transfer affecting the accounts of Derby Homes. These problems include
 - a delayed period closure for December occurring on 15 January
 - payroll expenditure posting to suspense
 - essential car user expenditure coded to salaries codes
 - significant numbers of employees reverting to pre April 2002 cost centres in Derby City Council's Housing Services Department.
- 3.4 Actual costs reflected in December 2002 for salaries and travel costs are unreliable.
- 3.5 In order to prepare a report for Resources Committee budgeted costs for employees and travel expenses have been assumed. All other costs are actual costs.

3.6 The report shows a rounded overspend of £41,000 consisting of

	£000
Miscellaneous income	(3)
Phone costs	17
Grove House closure	7
BVR Action Plan	<u>20</u>
Overspend December 2002	41

3.7 The forecast for 2002/3 taken to the Board meeting on 19 December 2002 has been updated to reflect the results for December 2002. This is shown in Appendix 2.

3.8 The overspend for December 2002 has been allocated as follows

	Base Management Fee £000	Additional Management Fee £000
Forecast out-turn December 2002 (surplus)	(41)	(242)
December overspend	21	20
Revised out-turn (surplus)	(20)	(222)

3.9 Appendix 3 shows an updated explanation of the movement between the reported management accounts and the forecast out-turn.

CONSULTATION IMPLICATIONS

4. None.

FINANCIAL 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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