



## Report to:

Northwards Housing Board  
10<sup>th</sup> November 2009

## Item No:

# 15d

<b>Title:</b>	Monthly Accounts – Quarter 2		
<b>Date:</b>	29 <sup>th</sup> October 2009		
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<b>Confidential:</b>	No		
<b>For:</b> (Please tick action required)	<b>NOTING</b> ✓	<b>DISCUSSION</b>	<b>APPROVAL</b>
<b>PURPOSE OF REPORT</b>			
To provide the Board with the latest financial information against budget and the most recent forecast of the outturn financial position.			
<b>RECOMMENDATION</b>			
That the Board receives the information.			
<b>IMPLICATIONS</b>			
<b>Equality &amp; Diversity:</b>	None directly		
<b>Financial:</b>	The accounts reflect the latest financial position		
<b>Staffing:</b>	None directly		
<b>Decency Target:</b>	None directly		
<b>Governance:</b>	Review of the accounts is a key part of Governance		
<b>Risk Assessment:</b>	Not controlling costs is considered to be a primary risk		

<b>Equality Impact Assessment</b>	
Function being assessed	Not applicable
Section	
Date of assessment	
Person Responsible for assessment	
Is this a new or existing policy?	
If there are significant implications in terms of equality please append a summary report.	

## Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	Yes	Resources	27 <sup>th</sup> October 2009
Area Panel:	No		
Forums:	N/A		
Ward Councillors:	N/A		

## **NORTHWARDS HOUSING MANAGEMENT ACCOUNTS COMMENTARY**

### **PERIOD 6 – September 2009**



### **Summary**

The financial results for the period to September show a deficit of £818,000, performance below budget by £802,000. This is made up of the following elements:

- Income under budget by £151,000
- Employee costs under budget by £8,000
- General expenditure under budget by £32,000
- SLA and contract costs over budget by £114,000
- Repairs over budget by £577,000

The cash position at the end of the period was £1,312,000.

We are now half way into the financial year, and a great deal of work has been undertaken to ensure accurate outturn forecasts are in place.

In addition, regular liaison with budget managers has helped to ensure that any areas of concern are addressed on a timely basis.

### **Income**

The budget for the Capital Programme income is projected to exceed budget by £406,000, which follows acceleration of an additional £4m of decent homes work into 2009-10.

However sundry and external funding remains below budget, and further work is being undertaken to review the nature of the various income streams, and the likelihood of realising this income.

### **Expenditure - general**

Agency staff costs remain ahead of budget. However, with the additional decent homes programme works being undertaken this may be an area of further review.

Rent costs currently exceed budget, and discussions continue in respect of the granting of licence agreements for local offices.

Legal costs and Multi Storey Security costs are currently under review.

In respect of legal costs, an increase in the number of neighbour nuisance and compensation cases has resulted in costs exceeding budget by £27,000 year to date.

### **Expenditure - repairs**

Investigations continue into the costs associated with void properties. Year on Year void properties have increased by some 20%. However, regular liaison with the Head of Responsive Repairs and capturing those void repairs to be recharged to the capital programme will help to ensure that the costs associated with this budget are kept under close review, and give an accurate forecast outturn position.

**Performance**

Right-to Buy sales to date	5	(plan 20)
Invoices paid within 30 days	100%	(target 100%)

SUMMARY

DESCRIPTION	Budget YTD	Actual YTD	Variance	Budget 2009/10	Outturn Forecast 2009/10	Variance
<b>1.INCOME</b>						
Supervision and Management fee	(10,090,823)	(10,082,718)	8,105	(20,181,645)	(20,181,645)	-
External Funding	(275,009)	(79,920)	195,089	(550,017)	(466,960)	83,057
Supporting People Grant	(290,000)	(298,118)	(8,118)	(580,000)	(580,000)	-
Other Grant Income	-	(200)	(200)	-	(400)	(400)
Passported People Income - Sheltered Wardens	(18,466)	(20,887)	(2,421)	(36,932)	(41,774)	(4,842)
Passported People Income - Community Alarms.	-	(2,017)	(2,017)	-	(4,034)	(4,034)
Recharge for Public Health Trainer	-	(1,851)	(1,851)	-	(3,702)	(3,702)
Charges for services	(4,128)	(5,256)	(1,129)	(8,255)	(10,512)	(2,257)
Multi-storey licence income	(90,514)	(89,478)	1,036	(181,027)	(178,956)	2,071
Other Sundry Income	(195,997)	(68,585)	127,411	(391,993)	(208,659)	183,334
Discount Receivable	-	(253)	(253)	-	(506)	(506)
Eastlands Homes Income	-	(15,116)	(15,116)	-	(30,233)	(30,233)
Capitalised Salaries	-	(547,831)	(547,831)	-	(1,095,663)	(1,095,663)
Capital Programme Contribution	(1,489,081)	(1,144,196)	344,885	(2,978,162)	(2,288,392)	689,771
Bank Interest receivable	(25,000)	(1,477)	23,523	(50,000)	(50,000)	-
THCIS INCOME	(206,625)	(145,140)	61,485	(413,250)	(324,000)	89,250
AVRO Income	-	(51,160)	(51,160)	-	(102,319)	(102,319)
<b>INCOME TOTAL</b>	<b>(12,685,641)</b>	<b>(12,554,204)</b>	<b>131,436</b>	<b>(25,371,281)</b>	<b>(25,567,754)</b>	<b>(196,473)</b>
<b>2.EXPENDITURE</b>						
<b>Employees</b>						
Pay - Gross Pay	5,285,292	4,210,105	(1,075,187)	10,578,764	8,406,299	(2,172,465)
Pay - Sick Pay	-	145,319	145,319	-	287,085	287,085
Pay - other payments	-	11,783	11,783	-	24,121	24,121
Pay - NIC Contributions	-	336,835	336,835	-	672,670	672,670
Pay - Employers pension contributions	-	517,159	517,159	-	1,034,814	1,034,814
Pay - Compensation in lieu of notice	-	-	-	-	-	-
Pay - Agency staff	35,250	91,092	55,842	70,500	116,065	45,565
<b>Employees Total</b>	<b>5,320,542</b>	<b>5,312,294</b>	<b>(8,248)</b>	<b>10,649,264</b>	<b>10,541,056</b>	<b>(108,209)</b>
<b>Premises</b>						
General Premises Repairs	12,000	7,428	(4,572)	24,000	20,153	(3,847)
Gas	1,500	1,624	124	3,000	3,247	247
Electricity	24,000	16,613	(7,387)	48,000	35,479	(12,521)
Rent	199,875	207,127	7,252	399,750	420,903	21,153
Business rates	42,300	38,793	(3,507)	84,600	88,898	4,298
Water rates	10,875	7,539	(3,336)	21,750	14,977	(6,773)
Contract Cleaning	13,500	14,997	1,497	27,000	28,449	1,449
Window Cleaning	3,575	1,699	(1,876)	7,150	3,398	(3,752)
Refuse Collection	9,725	8,256	(1,469)	19,450	22,671	3,221
Cleaning and Domestic Materials	4,525	3,888	(637)	9,050	7,776	(1,274)
Rodent and Pest Control	300	428	128	600	856	256
Grounds Maintenance Costs	-	50	50	-	100	100
Cleaning equipment - (below capitalisation threshold)	375	890	515	750	1,779	1,029
Security Costs	2,025	1,601	(424)	4,050	3,202	(848)
Storage Costs	300	1,870	1,570	600	3,739	3,139
Premises Hire costs	1,375	2,226	851	2,750	4,451	1,701
Caretakers Council Tax	7,000	4,705	(2,295)	14,000	14,851	851
<b>Premises Total</b>	<b>333,250</b>	<b>319,733</b>	<b>(13,517)</b>	<b>666,500</b>	<b>674,930</b>	<b>8,430</b>
<b>Transport</b>						
Motor repairs	-	125	125	-	212	212
Fuel costs	2,990	4,600	1,610	5,979	9,195	3,216
Road Fund Licence	-	35	35	-	70	70
Motor Insurance	8,682	13,318	4,636	8,682	13,334	4,652
Other Vehicle running costs	15,729	1,742	(13,987)	31,457	3,484	(27,973)
Vehicle Hire costs	16,393	22,585	6,192	32,786	44,539	11,753
Taxi Expenses	3,375	2,789	(586)	6,750	5,053	(1,697)
Rail expenses	500	2,777	2,277	1,000	4,832	3,832
Other public transport costs	3,593	120	(3,472)	7,185	240	(6,945)
Car allowance claims	88,525	72,505	(16,020)	177,050	155,159	(21,891)
Coach hire	213	500	288	425	1,000	575
Car parking costs	965	591	(374)	1,930	1,180	(750)
<b>Transport Total</b>	<b>140,963</b>	<b>121,687</b>	<b>(19,276)</b>	<b>273,244</b>	<b>238,297</b>	<b>(34,947)</b>
<b>Supplies &amp; Services</b>						
Relocation Expenses	-	1,067	1,067	-	2,134	2,134
Recruitment Expenses	-	4,250	4,250	-	-	4,250
Training Expenses	56,675	34,785	(21,890)	113,350	116,559	3,209
Recruitment Advertising	14,225	17,095	2,870	28,450	30,683	2,233
Equipment - under capitalisation threshold	5,225	1,636	(3,589)	10,450	8,672	(1,778)
Furniture - under capitalisation threshold	-	1,758	1,758	-	1,959	1,959
Clothes, uniform and laundry costs	5,575	3,439	(2,136)	11,150	6,329	(4,821)
Operating lease - equipment	-	70	70	-	140	140
Photocopying	19,100	26,536	7,436	38,200	50,321	12,121
Printing costs	52,375	24,864	(27,511)	104,750	102,425	(2,325)
Publicity	31,725	4,350	(27,375)	63,450	38,095	(25,355)
Books / publications	6,550	823	(5,727)	13,100	1,736	(11,164)
Stationery	22,350	15,943	(6,407)	44,700	33,800	(10,900)
General Office expenses	24,550	5,729	(18,821)	49,100	45,688	(3,412)
Signing / interpreter fees	5,100	3,358	(1,742)	10,200	6,715	(3,485)

Postage	28,700	31,169	2,469	57,400	62,338	4,938
Courier fees	-	684	684	-	1,368	1,368
Landline telephone costs	34,105	30,015	(4,090)	68,210	58,099	(10,111)
Mobile phone costs	21,330	23,918	2,588	42,660	46,668	4,008
Computer purchases - below capitalisation threshold	-	2,045	2,045	-	2,080	2,080
IT recharges	-	750	750	-	1,500	1,500
Other IT costs	68,943	105,971	37,029	137,885	141,393	3,508
Internet Access	-	1,149	1,149	-	2,299	2,299
Subsistence and conference expenses	-	343	343	-	1,381	1,381
Sundry expenses	-	7,356	7,356	-	14,681	14,681
Membership fees	14,790	9,442	(5,348)	26,200	16,912	(9,288)
Compensation to tenants	-	3,293	3,293	-	3,296	3,296
Tenants and Residents Association Grants	6,250	1,226	(5,024)	12,500	12,500	-
Cash Collection Costs	1,450	1,067	(383)	2,900	2,134	(766)
Conference Fees	13,175	7,701	(5,474)	26,350	18,410	(7,940)
Neighbourhood Wardens Security	200	615	415	400	1,230	830
Medical Fees	3,750	1,444	(2,306)	7,500	2,888	(4,612)
Catering	5,750	5,864	114	11,500	11,728	228
Decorating Vouchers - Capital Programme only	50,200	34,748	(15,452)	100,400	69,496	(30,904)
Staff Briefings & Away Days	19,908	25,050	5,143	39,460	28,517	(10,543)
Board and Area Panel Training and Expenses	-	(14)	(14)	-	(28)	(28)
Open / Activity Days	-	64	64	-	129	129
Eric Hobin Community Sponsorship	5,000	4,000	(1,000)	10,000	10,000	-
Board Appraisal Cost	1,500	-	(1,500)	3,000	3,000	-
Board Election Costs	2,500	-	(2,500)	5,000	5,000	-
AGM	1,900	-	(1,900)	3,800	3,800	-
Youth Strategy Budget	2,500	398	(2,102)	5,000	5,000	-
Energy Performance Certs	3,300	5,975	2,675	6,600	11,950	5,350
Sanctuary Installations	10,000	1,206	(8,794)	20,000	20,000	-
Legal fees	-	8,498	8,498	-	8,964	8,964
Consultants fees	75,300	73,095	(2,205)	150,600	149,690	(910)
Professional Fees	-	2,579	2,579	-	5,158	5,158
External audit Fees	13,270	13,708	438	17,800	18,675	875
Internal audit fees	12,000	3,160	(8,840)	24,000	24,000	-
Taxation fees	2,500	-	(2,500)	5,000	-	(5,000)
Bank charges	3,750	2,836	(914)	7,500	5,672	(1,828)
Tenants Survey & Profiling Fees	7,500	13,482	5,982	15,000	15,000	-
Insurance	25,375	80,252	54,877	50,750	154,853	104,103
Reward Scheme Recharges	22,000	14,080	(7,920)	44,000	52,427	8,427
MWL CONSULTANTS FEES	-	31,441	31,441	-	62,883	62,883
THCIS PREMIUMS	178,250	150,211	(28,039)	356,500	276,000	(80,500)
Tenants Incentive Scheme	21,000	15,447	(5,553)	42,000	44,628	2,628
Tenants Conference	5,000	7,464	2,464	10,000	10,000	-
Office Equipment Depreciation	45,318	45,318	1	90,635	90,635	-
Savings	(18,078)	-	18,078	(36,156)	-	36,156
<b>Supplies &amp; Services Total</b>	<b>931,885</b>	<b>912,755</b>	<b>(19,130)</b>	<b>1,851,294</b>	<b>1,921,608</b>	<b>75,164</b>
<b>TMO</b>						
AVRO HOLLOWES Management Fee	-	148,828	148,828	-	-	-
Shout TMO Management fee	195,780	66,862	(128,918)	391,560	391,560	-
<b>TMO Total</b>	<b>195,780</b>	<b>215,690</b>	<b>19,910</b>	<b>391,560</b>	<b>391,560</b>	<b>-</b>
<b>Contracts</b>						
Legal	15,000	3,178	(11,822)	30,000	6,356	(23,644)
Logicalis	81,500	124,000	42,500	163,000	202,000	39,000
Call Centre	445,363	444,161	(1,202)	890,726	888,322	(2,404)
Multi Storey Security	156,186	153,608	(2,578)	312,371	307,216	(5,155)
<b>Contracts Total</b>	<b>698,049</b>	<b>724,947</b>	<b>26,898</b>	<b>1,396,097</b>	<b>1,403,894</b>	<b>7,797</b>
<b>Service Level Agreements</b>						
Web Services	27,116	23,451	(3,665)	54,232	46,902	(7,330)
Publications & Design	29,973	20,721	(9,252)	59,945	41,442	(18,503)
Neighbour Nuisance	104,570	147,784	43,214	255,000	255,000	-
Mediation service	11,790	10,501	(1,289)	23,580	21,003	(2,577)
Manchester Housing Register	48,317	48,317	-	96,634	96,634	-
Homefinder Service	60,670	60,670	-	121,340	121,340	-
Street Lighting	1,042	1,042	-	2,084	2,084	-
Maintenance and Play area development	8,995	8,995	-	17,989	17,989	-
Highways Costs	12,504	26,183	13,679	25,008	38,687	13,679
Legal Costs	121,829	166,420	44,592	243,657	305,922	62,265
Payroll Costs	8,400	8,710	310	16,800	17,420	620
Girobank Charges & Rent Stationery	18,345	14,962	(3,383)	36,690	29,924	(6,766)
Council tax payments on void properties	21,400	21,400	-	42,800	42,800	-
Comino Support	90,000	90,000	-	180,000	180,000	-
Community alarm support service	57,500	57,500	-	115,000	115,000	-
Multi Storey Energy Costs	90,000	90,000	-	180,000	180,000	-
Homeless Families Dispersed Accommodation	5,000	7,971	2,971	10,000	12,971	2,971
<b>Service Level Agreements Total</b>	<b>717,449</b>	<b>804,627</b>	<b>87,178</b>	<b>1,480,759</b>	<b>1,525,118</b>	<b>44,359</b>
<b>Repairs &amp; Maintenance</b>						
Income	-	(9,500)	(9,500)	-	(495,366)	(495,366)
Responsive Maintenance General	1,603,000	1,706,561	103,561	3,206,000	3,430,464	224,464
Responsive Maintenance Voids	1,283,000	2,196,851	913,851	2,566,000	4,186,296	1,620,296
Responsive Maintenance Other	87,500	76,062	(11,438)	175,000	152,124	(22,876)
Planned Maintenance	680,500	550,538	(129,962)	1,361,000	1,304,522	(56,478)
Environmental	701,750	432,535	(269,215)	1,278,500	1,121,271	(157,229)
Retirement Caretaking	27,500	7,363	(20,137)	55,000	17,227	(37,773)
<b>Repairs &amp; Maintenance Total</b>	<b>4,383,250</b>	<b>4,960,410</b>	<b>577,160</b>	<b>8,641,500</b>	<b>9,716,538</b>	<b>1,075,038</b>
<b>TOTAL EXPENDITURE</b>	<b>12,721,167</b>	<b>13,372,143</b>	<b>650,976</b>	<b>25,350,218</b>	<b>26,413,000</b>	<b>1,067,632</b>
<b>NET EXPENDITURE</b>	<b>35,527</b>	<b>817,939</b>	<b>782,412</b>	<b>(21,063)</b>	<b>845,246</b>	<b>871,159</b>

DESCRIPTION	Budget YTD £	Actual YTD £	Variance YTD £	Budget 2009/10 £	Outrun Forecast 09/10 £	Variance £
<b>HRR</b>						
<b>Income</b>						
Service Charges	-	-	-	-	-	-
Rechargeable Repairs Income	-	(9,500)	(9,500)	-	(19,001)	(19,001)
Multi Storey Licence Income	-	-	-	-	-	-
Aerial Income	-	-	-	-	-	-
Fire Insurance Claim	-	-	-	-	-	-
Capital Claim Income	-	-	-	-	(476,365)	(476,365)
	-	(9,500)	(9,500)	-	(495,366)	(495,366)
<b>Responsive Maintenance General</b>						
Day to Day Repairs	1,265,301	1,453,928	188,627	2,530,601	2,925,197	394,596
Capital Works	-	-	-	-	-	-
Emergency Call Out	174,180	133,548	(40,632)	348,360	267,095	(81,265)
Emergency Day Time	120,520	85,822	(34,698)	241,039	171,644	(69,395)
Lift Repairs	43,000	33,264	(9,736)	86,000	66,528	(19,472)
	<b>1,603,000</b>	<b>1,706,561</b>	<b>103,561</b>	<b>3,206,000</b>	<b>3,430,464</b>	<b>224,464</b>
<b>Responsive Maintenance Voids</b>						
Relet Buildings (Major Voids)	1,283,000	2,092,974	809,974	2,566,000	3,978,543	1,412,543
Capital Works - Decent Homes	-	105,788	105,788	-	211,576	211,576
	-	-	-	-	-	-
<b>Responsive Maintenance - Other</b>						
Legal & Compensation Claims	87,500	76,062	(11,438)	175,000	152,124	(22,876)
	-	-	-	-	-	-
<b>Fire Damage</b>						
Voids	-	(1,912)	(1,912)	-	(3,823)	(3,823)
Responsive	-	-	-	-	-	-
	<b>1,370,500</b>	<b>2,272,913</b>	<b>902,413</b>	<b>2,741,000</b>	<b>4,338,420</b>	<b>1,597,420</b>
<b>Planned Maintenance</b>						
PSSM Schemes	30,000	-	(30,000)	60,000	-	(60,000)
Higher Blackley Asbestos Removal	7,500	-	(7,500)	15,000	15,000	-
Communal Areas Redecoration	-	-	-	-	-	-
Programmed Repairs (Victoria Ave Blocks)	110,500	112,261	1,761	221,000	224,522	3,522
Revenue Servicing - Lifts	32,410	12,022	(20,388)	64,820	64,820	-
Revenue Servicing - Electrical Testing	104,455	8,627	(95,828)	208,910	208,910	-
Revenue Servicing - Lightning Protection	-	-	-	-	-	-
Revenue Servicing - Mechanical Services	-	-	-	-	-	-
Revenue Servicing - Gas	347,500	399,730	52,230	695,000	695,000	-
Revenue Servicing - Communal Boiler & Plant	-	-	-	-	-	-
Revenue Servicing - CCTV & Door Entry	19,635	-	(19,635)	39,270	39,270	-
Revenue Servicing - Legionella	12,500	12,956	456	25,000	25,000	-
Revenue Servicing - Inspection & Testing TV/Satellite	12,000	4,299	(7,701)	24,000	24,000	-
Revenue Servicing - Domestic Lifts	4,000	644	(3,356)	8,000	8,000	-
	<b>680,500</b>	<b>550,538</b>	<b>(129,962)</b>	<b>1,361,000</b>	<b>1,304,522</b>	<b>(56,478)</b>
<b>TOTAL HRR</b>	<b>3,654,000</b>	<b>4,520,512</b>	<b>866,512</b>	<b>7,308,000</b>	<b>8,578,040</b>	<b>1,270,040</b>
<b>PLSM</b>						
<b>Environmental</b>						
Local Environmental Services	280,750	260,637	(20,113)	561,500	521,274	(40,226)
Fencing	116,500	57,999	(58,501)	233,000	115,997	(117,003)
	<b>397,250</b>	<b>318,636</b>	<b>(78,615)</b>	<b>794,500</b>	<b>637,271</b>	<b>(157,229)</b>
Crime & Disorder	22,500	11,334	(11,166)	45,000	45,000	-
Concessionary Decorating	35,000	4,183	(30,817)	70,000	70,000	-
Decorating Materials	49,500	14,652	(34,848)	99,000	99,000	-
Relet Security	72,500	81,010	8,510	145,000	145,000	-
Trees	121,000	520	(120,480)	121,000	121,000	-
Gardening Competition	4,000	2,200	(1,800)	4,000	4,000	-
	<b>304,500</b>	<b>113,900</b>	<b>(190,600)</b>	<b>484,000</b>	<b>484,000</b>	<b>-</b>
<b>TOTAL PLSM</b>	<b>701,750</b>	<b>432,535</b>	<b>(269,215)</b>	<b>1,278,500</b>	<b>1,121,271</b>	<b>(157,229)</b>
<b>PLANNED MAINTENANCE - RETIREMENT/CARETAKING</b>	<b>27,500</b>	<b>7,363</b>	<b>(20,137)</b>	<b>55,000</b>	<b>17,227</b>	<b>(37,773)</b>
<b>TOTAL EXPENDITURE - REPAIRS &amp; MAINTENANCE</b>	<b>4,383,250</b>	<b>4,960,410</b>	<b>577,160</b>	<b>8,641,500</b>	<b>9,716,538</b>	<b>1,075,038</b>