

HOUSING REVENUE ACCOUNT FUND SUMMARY - AS AT 31 DECEMBER 2020

	Ref	Revised Budget	Forecast Outturn	Variance
		£'000	£'000	£'000
Gross Rental Income	A	(28,666)	(28,688)	(22)
Charges for Services & Facilities	B	(306)	(299)	7
Contribn towards Expenditure	C	(50)	(30)	20
Repairs & Maintenance	D	8,959	8,354	(605)
Supervision & Management:	E	6,831	6,884	53
Rents, Rates and Other Premises	F	95	54	(41)
Increase in Bad Debt Provisions	G	297	672	375
Insurance Claims Contingency	H	106	106	0
Contingencies	I	514	0	(514)
Depreciation	J	6,637	6,637	0
Debt Management Expenses	K	12	12	0
HRS Trading (Surplus) / Deficit	L	(136)	(205)	(69)
Net Cost of Service	M	(5,707)	(6,503)	(796)
Loan Charges Interest	N	2,530	2,530	0
Investment/Mortgage Interest	O	(43)	(19)	24
Net Operating Inc/Exp		(3,220)	(3,992)	(772)
Major Repairs Reserve Adjustment	P	3,184	3,184	0
Transfers to/from reserves	Q	111	111	0
(Surplus)/Deficit in Year		75	(697)	(772)

Housing Revenue Account Variances - Quarter 3

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

Ref		£	Reason for variance
<u>Reduced Expenditure</u>			
I	Contingencies – Budget Measures taken Q1	(369,835)	A combination of all the budgets measures approved at Q1 to offset the income and expenditure pressures as a result of the national lockdown and subsequent recovery period.
I	Towards Financial Sustainability Programme	(43,050)	Savings attributable to the HRA and HRS arising from savings reviews undertaken in the General Fund as part of the TFS programme.
I	Contingencies – Job Retention Scheme	(61,050)	Anticipated funding through access to Job Retention Scheme, income relates to August to February claims (previous months included in Q1 measures)
D	Repairs & Maintenance	(605,373)	External decoration & painting and asbestos survey savings incurred during lockdown and recovery period.
G	Rent, Rates and Other Premises	(40,771)	Reduction in Council Tax charges due to demolition of empty properties.
<u>Increased Expenditure</u>			
A	Supplies & Services	60,000	Discretionary housing rent payments due to hardship as a result of Covid-19.
O	Investment Interest	23,120	Expected reduction in interest received due to lower base rate.
H	Bad Debt Provision	374,460	Additional year end contribution forecasted due to anticipated increase in level of housing rent arrears arising due to Covid19.
E	Supervision Management	& 53,860	Additional staffing costs due to COVID19.
<u>Increased Income</u>			
L	HRS Trading Surplus	(68,680)	Estimated surplus as at Q3 from trading activities, see HRS variances for further detail.

Ref		£	Reason for variance
A	Gross Rental Income	(130,000)	Additional affordable and social rental income arising due to an increased number of property buybacks.

Reduced Income

A	Dwelling Rents	60,000	Increase in void numbers during lockdown and increased length of time voids being re(let due to social distancing requirements resulting in lost rental income.
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HOUSING REPAIRS SERVICE SUMMARY - AS AT 31 DECEMBER 2020

	Revised Budget	Forecast Outturn	Variance
	£'000	£'000	£'000
Employees	3,222	2,968	(254)
Premises	40	40	0
Transport	760	761	1
Materials	1,415	1,415	0
Sub(Contractors	1,916	1,916	0
Supplies & Services	218	316	98
Central Support Charges	(137)	(137)	0
Capital Charges	0	0	0
Total Expenditure	7,434	7,279	(155)
Income	(7,434)	(7,484)	(50)
(Surplus)/Deficit	0	(205)	(205)

Housing Repairs Service Variances - Quarter 3

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

£ Reason for Variance

Reduced Spending

Employee Costs (264,150) Operative/labourer vacancies.

Increased Spending

Supplies & Services 59,305 Additional equipment hire costs.