

**HOUSING REVENUE ACCOUNT (HRA)
REVENUE OUTTURN 2018/19**

Appendix 1

	2018/19 Approved YTD Budget £'000	2018/19 Actuals YTD £'000	2018/19 Variance £'000
INCOME			
Dwelling Rents	22,805	22,833	-28
Non-Dwelling Rents	483	509	-26
Tenants' Charges for Services & Facilities	648	659	-11
Contributions towards Expenditure	18	129	-111
Total Income	23,954	24,130	-176
EXPENDITURE			
Repairs & Maintenance	5,187	5,801	614
Supervision & Management	8,542	8,143	-399
Rent, Rates, Taxes & Other Charges	149	429	280
Provision for Bad Debts	400	118	-282
Depreciation & Impairment of Fixed Assets	6,129	6,271	142
Interest Payable & Debt Management Costs	4,179	4,179	0
Total Expenditure	24,586	24,941	355
Net cost of Services	632	811	179
Provision for Job Evaluation	0	0	0
Net Operating Expenditure	632	811	179
Interest Receivable	-36	-106	-70
Revenue Contribution to Capital Outlay	1,879	1,600	-279
Use of Balances	-876	-706	170
Transfer to/(from) Earmarked Reserves	-1,599	-1,599	0
(Surplus)/Deficit on Services	0	0	0

HOUSING REVENUE ACCOUNT GENERAL RESERVE BALANCE

Surplus as at 1st April 2018	1,476	1,476	0
Surplus/(deficit) for year 2018/19	-876	-706	170
Surplus as at 31st March 2019	600	770	170

HRA Outturn 2018/19 variance commentary:

Dwellings Rents	The net loss of properties (RTB's less purchases) was lower than anticipated.
Non dwellings rents	Garage rent income from non-council tenants was greater than forecast.
Contributions towards expenditure	Anticipated reduction in grant funding from Worcestershire County Council for St David's House has been delayed. Income received from insurance claims relating to fire damaged properties and could not be budgeted for.
Repairs & Maintenance	There have been higher costs for responsive repairs (electrical, roofing, drainage & one off repairs) by external contractors than forecast. There have also been higher costs associated with voids repairs by external contractors than forecast. An increased number of agency resource has been covering vacant posts/staff absences within the department. A greater number than forecast of service charge eligible works (legionella testing, TV aerials, door entry) has led to increased income partially offsetting this overspend.
Supervision & Management	There are significant staff vacancies within Locality Teams, pending the implementation of a new structure. There was a lower than forecast internal overhead recharge .

Rents, rates & other taxes	There are Increased insurance charges within 2018/19 compared to budget. There have been a higher number as well as greater value of backdated Council Tax charges for void properties than originally forecast.
Provision for bad debts	The value of debts written off are lower than originally anticipated.
Depreciation & Impairment	There has been an Increase in component depreciation cost per property. Depreciation has been charged on newly purchased vehicles.
Interest receivable	An increase in interest rates has led to a greater return than anticipated.
Revenue Contribution to Capital Outlay	Lower than budget as limited to 1-4-1 purchases contribution to reduce use of balances (see below use of balances)
Use of balances	see Revenue contribution to capital line above

HRA CAPITAL OUTTURN 2018/19

Strategic Purpose

Help Me to Find Somewhere to Live in my Locality

2018/19 Approved YTD Budget £'000	2018/19 Actuals YTD £'000	Variance £'000
<u>6,323</u>	<u>4,761</u>	(1,562)

Financial Commentary:

The projects form the basis of the HRA 30 year capital improvement plan and are currently moving forward within the plan. The plan is currently being reviewed to ensure the correct budgets are in place to meet the improvement plan targets.