Oct 23

£'000

1,809 -349

> 157 -15 -40 -0

-365

611

488

0

-489

0

1,814

Housing Revenue Account - Budget Monitoring as at 31st December 2023

		_	Dec 23	
	Working Budget	Forecasted	Variance for Year	
	£'000	£'000	£'000	
Expenditure				
Repairs & Maintenance				
Responsive	3,053	5,603	2,550	
Minor Works	3,917	3,633	-285	
Voids	5,191	5,245	54	
Servicing	2,127	2,284	157	
Drains & Sewers	165	126	-39	
Grounds	891	851	-40	
Property & Strategic Projects	1,065	706	-359	
Unadopted Roads	123	123	0	
Supervision & Management				
Employee	7,377	6,763	-613	
Premises	1,757	2,500	743	
Transport	47	61	13	
Supplies	1,260	1,642	382	
Recharges	-2,078	-2,078	-0	
Provision for Bad Debt	250	191	-59	
Capital Financing Cost	15,001	14,454	-547	
Central Support Charges	2,403	2,403	0	
Direct Revenue Financing	10,000	9,604	-396	
Total Expenditure	52,549	54,111	1,562	

Notes
There has been a significant increase in routine repair demands from tenants with predicted overspend on responsive repairs (£2.9m up from £1.85m) and a change in the underspend on minor works (from £349k to £285k). Additional electrical periodic testing will result in overspend on servicing of £157k while grounds maintenance charges are likely to come in £40k under budget.
Savings from vacant posts & maximising of grants
Additional forecast energy costs in sheltered schemes of almost £385k. Additional Estate mprovement works predicted to be £150k over original budget. Re-alignment of most of the Temporary Accommodation function from Council Fund to HRA (in line with advice received) ncreasing expenditure with corresponding increase in Other Income £208k.
Additional spend related to legal costs in housing management £163k above budget, compensation costs £231 & Other Supplies & services -£12k
Based on forecast arrears of £3.2M as at 31/3/24, current aged debt analysis and estimated write for year of £224k
Capital HRA programme is predicting a £5.9m underspend on the revised budget of £33.9m. This, n conjunction with increased grant funding in 2022/23 and 2023/24 has decreased the borrowing requirement in year from £8.4m to approximately £5.9m. The impact on mid-year CFR and therefore interest is significant, reducing capital charges by £503k. This does assume an interest rate of 4.01% which may change if other elements of the capital programme on Council Fund vary.
Amended funding of capital programme to allow for services which are revenue in nature e.g. resourcing to specific projects

Housing Revenue Account - Budget Monitoring as at 31st December 2023

		_	Dec 23
	Working Budget	Forecasted	Variance for Year
	£'000	£'000	£'000
Income			
Rents	-46,247	-46,867	-620
Service Charges	-981	-1,068	-87
Supporting People	-70	-70	0
Interest on Cash Balances	-137	-612	-475
Grants	-296	-296	0
Insurance	-171	-171	0
Other Income	-49	-345	-296
Total Income	-47,951	-49,429	-1,478
Net Expenditure	4,598	4,682	84

Notes		Oct Variance of For Year
Void loss has reduced in year from a budget of 3.5% to 2.34% and is forecast to continue at this level for the remainder of the financial year, saving over £0.6m in foregone rental income.		-568
Impact of fewer voids		-84
		0
Interest rate significantly above 0.9% budgeted, assumed current year average of 4.25% by year end		-481
		0
		0
Transfer of the Temporary Accommodation function from Council Fund to HRA with increased income £261k offset by increase in expenditure in Supervision & Management premises. Additional fees and costs recoverable.		-395
raditional 1003 and 00313 1600Velable.		-393
		-1,528
		286

HRA Reserve	£'000
Balance b/f 01/04/2023	16,998
Budgeted movement in year	-4,598
Variance for the year	-84
Balance c/f 31/03/2024	12,316