

Housing Revenue Account - Budget Monitoring as at 28th February 2021

	Working Budget £'000	Forecasted £'000	Feb 21 Variance for Year £'000	Notes	Dec 20 Forecasted Variance for Year £'000
Expenditure					
Repairs & Maintenance					
Responsive	1,840	2,267	427		82
Minor Works	3,086	650	-2,436		-2,486
Voids	3,448	3,265	-183	Budget managers predicting underspends on R&M and voids of -£2,352k. This is due to only undertaking emergency and legislative work and supply chain issues inclusive of contractor availability. Tenants reluctance to request works and allow contractors access is also a factor.	28
Servicing	1,723	1,598	-125		-33
Drains & Sewers	142	110	-32		-22
Grounds	770	766	-4		-4
Unadopted Roads	107	107	0		0
Supervision & Management					
Employee	5,988	5,360	-628	Staff vacancies as a result of unavoidable delays in some projects e.g. Home Improvement Team £240k (mainly Ty Isha), Housing Investment Team £236k, Supporting tenants and residents £134k, and reduced call on out of hours services £23k. Staff training underspent due to inability to attend courses £11k	-580
Premises	1,507	1,444	-64	Decant costs underspent by £38k as they were stopped during lockdown. Utilities are £33k underspent.	-62
Transport	72	20	-52	Reduction in staff travel due to working from home	-53
Supplies	920	946	26	Overspend on Legal Fees	-93
Recharges	2,107	2,307	201	Ty Isha & Affordable Homes delivery delayed therefore some capitalised salaries not applied.	156
Provision for Bad Debt	511	518	7		-48
Capital Financing Cost	15,423	14,574	-849	Capital HRA programme is predicting a £13.5m underspend on the revised budget of £39.4m . This, in conjunction with increased grant funding, has decreased the borrowing requirement in year from £14.76m to £2.197m. The impact on mid-year CFR and therefore interest is significant, reducing capital charges by £849k. This does assume an interest rate of 4.07% which may change if other elements of the capital programme on Council Fund vary.	-806
Central Support Charges	1,687	1,695	8		8
DRF	10,000	10,000	0		0
Total Expenditure	49,329	45,627	-3,703		-3,912

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Income					
Rents	-41,913	-41,103	810	Voids currently running at 4.16% compared to budget of 2.9% will result in £526k additional rental void loss. Also delay in new build and refurbishment of buy backs reducing the rent due by approx. £414k.	944
Service Charges	-833	-824	9		-0
Supporting People	-81	-81	-0		0
Interest on Cash Balances	-139	-30	109	Forecast interest rate on cash balances is 0.15% compared to original forecast 0.75%	108
Grants	-237	-400	-163	Additional Affordable Housing Grant (AHG) for Gwynfryn plus £57k and additional other grants.	-144
Insurance	-169	-169	0		0
Other Income	-546	-520	27	Underachievement of income from Commission on Sales relating to the collection of water rates due to higher number of voids.	66
Total Income	-43,917	-43,127	791		975
Net Expenditure	5,412	2,500	-2,912		-2,937

HRA Reserve	£'000
Balance b/f 01/04/2020	21,252
Budgeted movement in year	-5,412
Variance for the year	2,912
Balance c/f 31/03/2021	18,752