

Housing Revenue Account - Budget Monitoring as at 30th June 2022

| | Working Budget £'000 | Forecasted £'000 | June 22 Variance for Year £'000 | Notes |
|-------------------------------------|----------------------------|---------------------|---|---|
| Expenditure | | | | |
| Repairs & Maintenance | | | | |
| Responsive | 2,065 | 2,076 | 11 | Budget managers are currently predicting an on-target end of year revenue maintenance budget spend. However, given current inflation and the impact on construction industry capacity post-Covid and post-Brexit including significantly increasing pay, energy, fuel, and construction materials costs, there will continue to be upwards pressure on contractor rates and reduced availability as we progress through 2022/23 e.g. the Minor Works Framework is due inflation increases to the tendered Schedule of Rates and this is currently under negotiation with contractors. Remaining within budget may require delivering less with our allocated financial resources and this will become clearer as data becomes available post negotiations with contractors. Budget managers will continue to respond to these fluctuations to ensure that expenditure remain within allocated budgets and the review of the 3-year HRA Business Plan later in the year will identify appropriate adjustments to future budget allocations to reflect the position at that time. |
| Minor Works | 3,464 | 3,464 | 0 | |
| Voids | 3,934 | 3,947 | 13 | |
| Servicing | 1,934 | 1,934 | 0 | |
| Drains & Sewers | 157 | 157 | -0 | |
| Grounds | 849 | 849 | 0 | |
| Unadopted Roads | 118 | 118 | 0 | |
| Supervision & Management | | | | |
| Employee | 5,917 | 6,237 | 320 | |
| Premises | 1,358 | 1,358 | 0 | |
| Transport | 36 | 36 | -0 | |
| Supplies | 922 | 922 | 0 | |
| Recharges | 865 | 1,034 | 170 | Impact of probable pay award compared to budgeted salary costs. This will become clearer when negotiations on pay increases conclude. |
| Provision for Bad Debt | 594 | 594 | 0 | |
| Capital Financing Cost | 14,923 | 14,923 | 0 | Detailed analysis in progress to assess impact of interest rate increases on capital financing costs. |
| Central Support Charges | 1,811 | 1,811 | -0 | |
| Direct Revenue Financing | 10,000 | 10,000 | 0 | |
| Total Expenditure | 48,945 | 49,459 | 514 | |

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| | Working Budget £'000 | Forecasted £'000 | June 22 | Notes |
|---------------------------|----------------------------|---------------------|----------------------------------|---|
| | | | Variance for Year £'000 | |
| Income | | | | |
| Rents | -43,608 | -43,608 | -0 | Prediction close to target for rent due and voids |
| Service Charges | -849 | -849 | 0 | |
| Supporting People | -70 | -70 | 0 | |
| Interest on Cash Balances | -5 | -5 | 0 | Income will be greater with increases in interest rates. Detailed analysis in progress. |
| Grants | -296 | -296 | -0 | |
| Insurance | -221 | -221 | -0 | |
| Other Income | -496 | -498 | -3 | |
| | | | | |
| Total Income | -45,545 | -45,547 | -3 | |
| | | | | |
| Net Expenditure | 3,401 | 3,912 | 511 | |

| HRA Reserve | £'000 |
|----------------------------|---------------|
| Balance b/f 01/04/2022 | 21,895 |
| Budgeted movement in year | -3,401 |
| Variance for the year | -511 |
| Contribution from Reserves | 511 |
| Balance c/f 31/03/2023 | 18,494 |