

HOUSING REVENUE ACCOUNT DETAIL

	Para Refs	Revised Budget £k	Amount £k	Additional Reserve Transfers £k	Outturn Variance £k
Dwelling rents and service charges		(22,424)	(22,228)	0	196
Other charges and income		(629)	(715)	0	(86)
Provision for bad debt		110	138	0	28
Total Income	1.1	(22,943)	(22,805)	0	138
Supervision and management	1.2	4,155	3,751	0	(404)
Repairs and maintenance	1.3	4,235	3,947	21	(267)
Independent Living service		630	602	0	(28)
Other expenditure	1.4	542	661	0	120
Independent Living Modernisation	1.5	329	403	0	74
Total Expenditure		9,890	9,364	21	(505)
Support Service Charges from the GF	1.6	1,995	1,876	0	(120)
Revenue Funding of Capital Programme (Depn & RCCO)		6,218	6,289	0	71
Provision for repaying debt		918	0	918	0
Interest Payable/Receivable	1.7	3,309	3,352	0	43
Total Other Costs and Income		12,440	11,516	918	(6)
Total Housing Revenue Account		(612)	(1,924)	939	(373)

Transfers to/(from) HRA Earmarked reserves		431	431	0	0
Transfers to/(from) HRA General Reserves		181	181	0	0
Total Transfers to/from reserves		612	612	0	(373)

1.1 Income – £136k Income Pressure

As previously reported rental income has been lower than budgeted. Void properties increased during the lockdown period in 2020 as new tenancies were only given in exceptional circumstances. Although empty properties were being let from late summer, this can only happen at a pace in line with capacity for repairs works to be undertaken and tenancy management to start tenancies. This has unfortunately slowed the process of letting all the properties and the higher level of voids, although reducing, will continue into 2021/22.

1.2 Supervision and Management – (£404k) Underspend

A number of posts have been vacant during the year, with total staffing underspend of £232k. £119k of this relates to Contract Services (excluding Property Care which is included in Repairs and Maintenance).

Some areas currently have underspends in running costs, primarily where work or programmes have been delayed or changed due to Covid-19, such as consultancy work

and estate works. There have also been fewer small parcels on land being sold at auction as part of the planned review of garage sites.

1.3 Repairs and maintenance – (£267k) Underspend

The underspend on repairs and maintenance predominantly relates to the planned cyclical programme (decorating and rendering) (-£223k underspend). The programme was re-profiled to support safe working around Covid-19 and concentrated on houses and bungalows before undertaking work in communal areas due to the number of people being enclosed in areas for lengths of time. The remaining works which mainly comprise of 1 block and flooring has been moved as priority work for the 2021/22 programme. A carry forward of £21k is being requested in order to support the revised programme for 2021/22. The in house Property Care service had an overall overspend against budget of £81k due to additional external subcontractors being needed more than expected, including for covering self-isolating or shielding staff. This has been managed within the wider HRA and has not caused any significant pressure.

1.4 Independent Living Modernisation – Funded from earmarked reserve

The Independent Modernisation Programme (previously known as the Sheltered Modernisation Programme) includes modernisation works to green and amber schemes, as well as the decanting costs and void costs e.g. council tax for the red schemes. It consists of works to schemes that are part revenue and part capital.

This is fully funded from the Sheltered modernisation earmarked reserve, along with a contribution towards the lost service charges that formed part of the original business case. Overall, across revenue and capital, the programme is on budget.

Improvement works at Willow Road, the first Independent+ scheme, were successfully completed in December 2020. Springfields Court, the fourth Hub to be created, completed just into the 2021/22 financial year, in April 2021, with works having started in January.

1.5 Other expenditure - £120k Overspend

The cost of grounds maintenance, particularly rubbish collection from communal areas, continues to be higher than budgeted. A Cleaner Estates Strategy Action Plan was presented to Housing Committee in June 2021.

There has also been additional spend on play areas.

1.6 Support Charges from the General Fund – (£120k) Underspend

Charges from the General Fund for shared and support services such as IT, HR and finance are £120k lower than budgeted for the year. This is largely due to underspends on salaries and running expenses as reported in the General Fund sections in the main report.

1.7 Interest payable/receivable – £43k Loss of income

Investment rates have significantly reduced due to Covid-19. This is expected to continue into 2021/22.