APPENDIX A – HRA 2025/26 PROVISIONAL REVENUE OUTTURN ANALYSIS

Service Area	2025/26 Current Budget	2025/26 Current Budget (less Budget Carry Forwards)	2025/26 Provisional Outturn (less Accounting Adjustments)	Variance to Current Budget	2025/26 Outturn Variance
Expenditure	25,890	25,740	25,680	(210)	(60)
Income	(31,112)	(31,112)	(30,889)	223	223
Net Cost	**(5,222)**	**(5,372)**	**(5,209)**	**13**	**163**

Explanation of Significant Variances	**£'000**
Repairs & Maintenance • Significant progress was made during the year to reduce the number of overdue repairs, from 2,337 in April 2025 to 1,208 by March 2026. As it is a priority of the council to improve the repairs service by ensuring repairs are completed within policy timescales and in accordance with the Housing Regulators expectations. • As a result of the above, there was an agreed increase in revenue budget of £2.7m in year. The budgets have been closely monitored to keep within the revised budget with a minor overspend of £96k at year end which is 0.60% of the current budget.	**96**
Supervision & Management • Council Tax on empty homes was overspent by £97K. This was largely due to the decants required in response to the introduction of Awaab's Law, relating to the treatment of damp and mould. The legislation was introduced post budget setting for 2025/26 but we have addressed the increased requirement in the 2026/27 budget. • An overspend of £65k on agency costs was incurred due to the need for additional support requirements on QL. • During the year a new tree policy was introduced along with a review of tenancy agreements. This resulted in additional works being required and an overspend of £45k.	**207**
Bad Debts • Following pro-active debt management reviews in year, alongside appropriate write-off actions undertaken in year, the overall level of arrears has reduced resulting in a reduction in the bad debt provision level required rather than the budgeted increase.	**(361)**
Income • Budget setting assumptions allowed a higher volume of rents from new build properties. Delays in the new build programme reduced the number of rent collectable weeks on these. • Following significant reforms to the right to buy scheme, tightening eligibility and reducing discounts, a significant increase to applications was received to beat the deadline before the changes were introduced. This resulted in a higher loss of stock to right to buy	**216**

than forecast in the budget assumptions, therefore reducing the collectable rent by £294k • This has been partly offset by an increased income of £78k from charges to services and facilities due to the budget being set prior to the review of warden and communal charges. Under recovery on utilities has started to be addressed in year which has seen an increase in charges. The 2027/28 budgets will be rebased accordingly.	