

Appendix F

Housing Revenue Account Summary 2020/21

Description	2020/21 Original Budget	2020/21 Current Budget	2020/21 Forecast spend	Forecast Variance
	£'000	£'000	£'000	£'000
Income				
Dwelling Rents	(24,557)	(24,557)	(24,194)	363
Non-Dwelling Rents	(331)	(331)	(310)	21
Charges for Services and Facilities	(677)	(677)	(611)	66
Other Income	(72)	(72)	(47)	25
Total Income	(25,637)	(25,637)	(25,162)	475
Expenditure				
Repairs and Maintenance	7,433	7,537	7,116	(421)
Supervision and Management - General	1,851	1,851	1,820	(31)
Supervision and Management - Special	1,177	1,193	1,045	(148)
Depreciation and Impairment of Fixed Assets	3,609	3,609	3,609	0
Debt Management Expenses	35	35	35	0
Provision for bad debts	384	384	384	0
Other Expenditure (Pension Deficit)	322	322	191	(131)
Housing Development	250	250	172	(78)
Support recharge from General Fund	2,558	2,558	2,558	0
Total Expenditure	17,619	17,739	16,930	(809)
Net Cost of HRA Services	(8,018)	(7,898)	(8,232)	(334)
Interest Payable and Similar Charges	2,778	2,778	2,718	(60)
Interest and Investment Income	(253)	(253)	(115)	138
Surplus for the year	(5,493)	(5,373)	(5,629)	(256)

Explanation of significant variances	£'000
<p>Dwelling rents:</p> <p>Reduction in income of £120k as no new build properties are expected to be completed this year.</p> <p>Increase in write offs due to non-collection of rent of £100k. The write off level is in line with the current bad debt provision level that is set in the HRA financial business plan.</p> <p>Void rates are higher than budgeted due to restrictions on moving residence during lockdown. Currently at 2% (budgeted at 1.5%) resulting in an estimated £100k shortfall in rents.</p>	320
<p>Charges for Services and Facilities:</p> <p>Due to the closure of the communal rooms within the sheltered accommodation properties during lockdown, charges to residents have been reduced – it is expected that these will not re-open in this financial year therefore reducing income by £67k and a further £19k reduction from room hires.</p> <p>Creation of additional Homelessness units in order to comply with Covid-19 requirements has provided an increase of service charges of £23k. (These are partially offset by the increased charges in managing these units)</p>	86 (23)
<p>Repairs & Maintenance:</p> <p>Due to Covid-19, there has been a delay in repairs to council houses where access is necessary resulting in a forecast underspend of £430k</p> <p>Purchase of non-compliance software and annual subscription.</p>	(430) 77
<p>Supervision & Management – Special:</p> <p>Planned refurbishments of communal rooms have been postponed, funds will be requested to carry forward to next year.</p>	(151)