

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
<b>Income</b>				
Dwelling Rents	(24,557)	(24,557)	(24,200)	357
Non-Dwelling Rents	(331)	(331)	(306)	25
Charges for Services and Facilities	(677)	(677)	(587)	90
Other Income	(72)	(72)	(47)	25
<b>Total Income</b>	<b>(25,637)</b>	<b>(25,637)</b>	<b>(25,140)</b>	<b>497</b>
<b>Expenditure</b>				
Repairs and Maintenance	7,433	7,477	7,110	(367)
Supervision and Management - General	1,851	1,891	1,957	66
Supervision and Management - Special	1,177	1,213	1,075	(138)
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	98	(152)
Support recharge from General Fund	2,558	2,558	2,568	10
<b>Total Expenditure</b>	<b>17,619</b>	<b>17,739</b>	<b>17,027</b>	<b>(712)</b>
<b>Net Cost of HRA Services</b>	<b>(8,018)</b>	<b>(7,898)</b>	<b>(8,113)</b>	<b>(215)</b>
Interest Payable and Similar Charges	2,778	2,778	2,718	(60)
Interest and Investment Income	(253)	(253)	(115)	138
<b>Surplus for the year</b>	<b>(5,493)</b>	<b>(5,373)</b>	<b>(5,510)</b>	<b>(137)</b>

<b>Explanation of significant variances</b>	<b>£'000</b>
<p><b>Dwelling rents:</b></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><b>Charges for Services and Facilities:</b></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 £97k 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>	116  (23)
<p><b>Repairs &amp; Maintenance:</b></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>	(440)  77
<p><b>Supervision &amp; Management – General:</b></p> <p>Additional in year cost of management support</p>	64
<p><b>Supervision &amp; Management – Special:</b></p> <p>Planned refurbishments of communal rooms have been postponed, funds will be requested to carry forward to next year.</p>	(151)