

Housing Revenue Account Summary 2020/21

Description	2020/21 Current Budget £'000	2020/21 Current Budget (less proposed Budget C/F) £'000	2020/21 Provisional Outturn £'000	2020/21 Variance £'000
Income				
Dwelling Rents	(24,557)	(24,557)	(24,252)	305
Non-Dwelling Rents	(331)	(331)	(280)	51
Charges for Services and Facilities	(677)	(677)	(550)	127
Other Income	(72)	(72)	(24)	48
Total Income	(25,637)	(25,637)	(25,106)	531
Expenditure				
Repairs and Maintenance	8,207	6,627	6,920	293
Supervision and Management - General	1,931	1,931	2,116	185
Supervision and Management - Special	1,223	1,083	1,038	(45)
Depreciation and Impairment of Fixed Assets	3,609	3,609	3,700	91
Debt Management Expenses	35	35	35	0
Provision for bad debts	384	384	58	(326)
Other Expenditure (Pension Deficit)**	322	322	0	(322)
Housing Development	250	250	152	(98)
Support recharge from General Fund	2,558	2,558	2,592	34
Total Expenditure	18,519	16,799	16,611	(188)
Net Cost of HRA Services	(7,118)	(8,838)	(8,495)	343
Interest Payable and Similar Charges	2,778	2,778	2,530	(248)
Interest and Investment Income	(253)	(253)	(252)	1
Investment Property Inc & Exp*	0	0	(3)	(3)
Return on Pension Assets *	0	0	270	270
Net (Gain)/loss on sale of HRA Assets *	0	0	(620)	(620)
Capital receipts pooling *	0	0	768	768
IAS19*	0	0	(488)	(488)
HRA (Surplus)/Deficit	(4,593)	(6,313)	(6,290)	23

*Accounting adjustment reversed out on the HRA balance

** Costs in relation to pension deficit are charged at service level

Explanation of significant variances	£'000
Dwelling rents: Reduction in income of £125k as no new build properties are expected to be completed this year. Increase in write offs due to non-collection of rent of £58k. The write off level is in line with the current bad debt provision level that is set in the HRA financial business plan. Void rates are higher than budgeted due to restrictions on moving residence during lockdown. Currently at 2% (budgeted at 1.5%) resulting in a £110k shortfall in rents.	293
Non- Dwelling rents: Income for garages has been reduced by £25k as a result of higher than budgeted voids Rental income from HRA shops of £21k are removed within the movement on the HRA balance	25 21
Charges for Services and Facilities: Due to the closure of the communal rooms within the sheltered accommodation properties during lockdown, charges to residents and room hire income has reduced by £142k. Creation of additional Homelessness units in order to comply with Covid-19 requirements has provided an increase of service charges of £22k. (These are partially offset by the increased charges in managing these units)	142 (22)
Repairs & Maintenance: Pension costs of £448k for accounting entry IAS19 (employee pension) are included. These costs are removed within the movement on the HRA balance. Due to Covid-19, there has been a delay in repairs to council houses where access is necessary.	448 (190)
Supervision & Management – General: Pension costs of £159k for accounting entry IAS19 (employee pension) are included. These costs are removed within the movement on the HRA balance.	159
Housing Delivery: Following the cessation of the HomesSK as of October 2020, no further costs were incurred resulting in an under spend of (£98k)	(98)
Bad Debts: Due to the suspension of recovery action including courts not sitting during 2020/21, bad debts have not been at the budgeted level. Courts have resumed in 2021/22.	(326)