

Housing Revenue Account Summary 2022/23

Description	2022/23 Current Budget £'000	2022/23 Current Budget (less proposed Budget C/F) £'000	2022/23 Provisional Outturn £'000	2022/23 Variance £'000
Expenditure				
Repairs and Maintenance	8,940	8,940	9,210	270
Supervision and Management - General	2,528	2,221	2,352	131
Supervision and Management - Special	1,534	1,534	1,396	(138)
Depreciation and Impairment of Fixed Assets	3,828	3,828	8,179	4,351
Debt Management Expenses	35	35	35	0
Provision for bad debts	383	383	(105)	(488)
Other Expenditure (Pension Deficit)**	356	356	0	(356)
HRA Insurance Provision	0	0	0	0
Support recharge from General Fund	2,787	2,787	0	(2,787)
Total Expenditure	20,391	20,084	21,067	983
Income				
Dwelling Rents	(25,399)	(25,399)	(24,847)	552
Non-Dwelling Rents	(332)	(332)	(288)	44
Charges for Services and Facilities	(715)	(715)	(741)	(26)
Other Income	(66)	(66)	(16)	50
Total Income	(26,512)	(26,512)	(25,892)	620
Net Cost of HRA Services	(6,121)	(6,428)	(4,825)	1,603
Interest Payable and Similar Charges	2,335	2,335	2,335	0
Interest and Investment Income	(200)	(200)	(1,226)	(1,026)
Investment Property Inc & Exp*	0	0	(24)	(24)
Return on Pension Assets *	0	0	53	53
Net (Gain)/loss on sale of HRA Assets *	0	0	(1,068)	(1,068)
External Grant Funding	0	0	(433)	(433)
Capital receipts pooling *	0	0	4	4
IAS19*	0	0	(109)	(109)
Accumulated Absences	0	0	14	14
HRA (Surplus)/Deficit	(3,986)	(4,293)	(5,279)	(986)

*Accounting adjustment reversed out on the HRA balance

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

Material variances (>£20k)	£'000
Dwelling rents: Reduction in income of £150k as a reduced number of new build properties are expected to be completed this year. There was a £68k increase in bad debt provision. Increase in write offs due to non-collection of rent of £184k above the budgeted £150k. 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 partly due to the 12 properties being used to decant tenants on the Earlesfield Estate. 1.8% as at the end of March (budgeted at 1.5%) resulting in a shortfall of £150k in rents.	552
Non- Dwelling rents: Income for garages has been reduced by £18k as a result of higher than budgeted voids. Investment property income from HRA shops of £24k is shown separately in the table above as part of the accounting adjustments required at year end. It is budgeted for within non-dwelling rents resulting in a variance. Charges for Service & Facilities are higher than budgeted due to the actual costs of the Communal Heating recharge being higher.	44 (26)
Other Income: Reduced income received in year following a reduction in court costs.	32
Repairs & Maintenance: A reduction in capital scheme delivery, in part due to staff vacancies, has resulted in a reduction in capitalised salaries rechargeable of £200k. Pension costs of £200k for accounting entry IAS19 (employee pension) are included. These costs are removed within the movement on the HRA balance. An overspend on major voids Electrical Testing £120k, £200k on Premises Maintenance and £164k on materials. This has been partially offset by underspends on Specified works £485k and Decorating £100k.	270
Supervision & Management – General: Pension costs of £126k for accounting entry IAS19 (employee pension) are included. These costs are removed within the movement on the HRA balance. Council Tax liabilities resulted in an overspend of £80k, this was partially offset by underspends in Electricity (£30k), Contract Cleaning (£30k) and Cleaning materials (£10k). Carry forwards of £307k in respect of the Earlesfield project have been included.	131

<p>Supervision & Management – Special:</p> <p>Premises expenses incurred an underspend on Floor Coverings £27k and Electricity of £64k due to lower than expected usage and costs.</p> <p>Whilst the upgrade project for the intercom systems in sheltered housing accommodation is undertaken, there has been a reduction in revenue maintenance costs of £58k</p>	(138)
<p>Bad Debts:</p> <p>The level of provision for bad debts has been decreased due to higher than expected recovery rates on rent arrears</p>	(105)