

## **2023/24 HRA Revenue Significant Variance Analysis**

Service Area	2023/24 Current Budget	2023/24 Current Budget (less Budget Carry Forwards)	2023/24 Provisional Outturn	Variance to Current Budget	2023/24 Outturn Variance
	£	£	£	£	%
Expenditure	21,718	21,451	22,673	1,222	5.7%
Income	(28,403)	(28,403)	(27,945)	458	1.6%
Net Cost	(6,685)	(6,952)	(5,272)	1,680	24.2%
Other Costs	1,578	1,578	(451)	(2,029)	(129.0%)
<b>TOTAL</b>	<b>(5,107)</b>	<b>(5,374)</b>	<b>(5,723)</b>	<b>(349)</b>	<b>(6.5%)</b>

<b>Explanation of Significant Variances</b>	<b>£'000</b>
<b>Repairs &amp; Maintenance</b> <ul style="list-style-type: none"> <li>Void works, compliance works and heating have incurred an additional spend of £450k.</li> <li>Additional works required on adaptations have incurred an overspend of £88k</li> <li>£23k additional costs were due to the level of disrepair claims.</li> <li>The move to new office accommodation resulted in additional costs of £54k</li> <li>An additional £41k was required for software costs.</li> <li>During the year a temporary restructure was put in place which incurred additional costs of £41k.</li> </ul>	<b>871</b>
<b>Supervision &amp; Management – General</b> £56k less expenditure on court and legal fees. £40k less on Tenancy Business IT	<b>(96)</b>
<b>Supervision &amp; Management - Special</b> Due to the sheltered housing review the floor coverings budget was not required, £18k. Procurement of a window cleaning contract was delayed £30k. Lifeline costs were reduced by £45k as new systems were installed through the capital project.	<b>(165)</b>
<b>Depreciation &amp; Impairment</b> Additional depreciation and impairment costs as a result of increased property values.	<b>707</b>
<b>Income</b> Void rates averaging 3% throughout the year incurred a loss of rental income circa £460k.	<b>458</b>
<b>Other Costs</b> Investment income - Base rate changes have resulted in an increase on the interest rates available for investments. The Council is now able to secure investment interest rates above 5% compared with the budgeted rate of 4%.	<b>(2,029)</b>