

## APPENDIX A – HRA 2024/25 PROVISIONAL REVENUE OUTTURN ANALYSIS

Service Area	2024/25 Current Budget	2024/25 Current Budget (less Budget Carry Forwards)	2024/25 Provisional Outturn (less Accounting Adjustments)	Variance to Current Budget	2024/25 Outturn Variance
Expenditure	23,057	23,057	25,669	2,612	11.3%
Income	(30,010)	(30,010)	(30,728)	(718)	(2.4%)
<b>Net Cost</b>	<b>(6,953)</b>	<b>(6,953)</b>	<b>(5,059)</b>	<b>1,894</b>	<b>27.2%</b>

Explanation of Significant Variances (before carry forward approved)	£'000
<b>Repairs &amp; Maintenance</b> <ul style="list-style-type: none"> <li>The investment in additional works required to catch up on the backlog of works required, has resulted in an overspend of £632K.</li> <li>Material costs have increased over and above the standard inflation increase calculated into the budget, in some cases as high as 15%. This, together with increased productivity to complete repairs works has resulted in an overspend of £568K.</li> <li>Works undertaken to remedy damp and mould cases and comply with the timeframe requirements of Awaabs Law has led to an overspend of £810K.</li> <li>Asbestos Surveys were required relating to works completed as part of the Earlesfield project of £210k.</li> </ul>	<b>2,220</b>
<b>Supervision &amp; Management</b> <ul style="list-style-type: none"> <li>The work undertaken to reduce the backlog of void properties resulted in an £60K increased cost for grounds maintenance and preparing properties for new tenants.</li> <li>The Earlesfield project compliance works required tenants to be temporarily moved to alternative accommodation at a cost of £87K</li> </ul>	<b>147</b>
<b>Bad Debt Provision</b> <ul style="list-style-type: none"> <li>Due to an increase in outstanding rent arrears which has risen from £709K to £944K there has been a corresponding prudent increase in our bad debt provision. There has also been a decrease in collection rate which was 1.33% below target for 2024/25 which has also contributed to the increase in arrears.</li> </ul>	<b>180</b>
<b>Income</b> <ul style="list-style-type: none"> <li>Improvements in the turnover of vacant properties which reduced from 136 days to 79 days has resulted in an additional £458k collected in rents.</li> <li>The budget in respect of 'Charges for services and facilities' was erroneously set at a lower level due to the accuracy of data migrated to the housing system. The income received is in accordance with the tenancy agreement. This issue has been rectified for the 2025/26 Budget.</li> </ul>	<b>(718)</b>