

Housing Revenue Account - Budget Monitoring as at 31st August 2023

	Working Budget £'000	Forecasted £'000	Aug 23 Variance for Year £'000	Notes	June 23 Forecaste d Variance for Year £'000	
Expenditure						
Repairs & Maintenance						
Responsive	2,893	4,628	1,735	Budget managers are currently predicting a £33k overspend on revenue maintenance budget spend. However, given current inflation and the impact on construction industry capacity post-Covid and post-Brexit including significantly increasing pay, energy, fuel, and construction materials costs, there will continue to be upwards pressure on contractor rates and reduced availability as we progress through 2023. As a result, remaining within budget may require delivering less with our allocated financial resources. Budget managers will continue to respond to these fluctuations to ensure that the overall HRA expenditure remains within budget. Some repairs are significant in nature and are being assessed for potential capitalisation.	1,675	
Minor Works	3,917	2,307	-1,610		-1,610	
Voids	5,576	5,596	20		-175	
Servicing	2,127	2,064	-63		73	
Drains & Sewers	165	116	-49		-49	
Grounds	891	891	0		0	
Property & Strategic Projects	1,065	1,065	0		-0	
Unadopted Roads	123	123	0		0	
Supervision & Management						
Employee	7,377	7,070	-307	Savings from vacant posts may be reduced dependent on pay settlement.	-307	
Premises	1,775	2,377	602	Additional forecast energy costs in sheltered schemes £200k. Additional Estate improvement works predicted to be £215k over original budget. Transfer of the Temporary Accommodation function from Council Fund to HRA increasing expenditure with corresponding increase in Other Income £187k.	40	
Transport	39	67	27		7	
Supplies	897	1,387	490	Additional spend related to legal costs in housing management £50k, compensation costs £179k, fees/project costs £170k and office refurbishments £39k. General Office Supplies of postage, photocopying etc £52k	260	
Recharges	-2,306	-2,306	-0		-0	
Provision for Bad Debt	606	606	0		0	
Capital Financing Cost	15,001	15,001	0		0	
Central Support Charges	2,403	2,403	0		0	
Direct Revenue Financing	10,000	10,000	0		0	
Total Expenditure	52,549	53,394	845		-87	

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			Variance for Year £'000		Forecasted Variance for Year £'000
Income					
Rents	-46,247	-46,746	-499	Void loss has reduced in year from a budget of 3.5% to 2.5% and is forecast to continue at this level for the remainder of the financial year, saving nearly £0.5m in foregone rental income. Impact of fewer voids	0
Service Charges	-981	-1,061	-80		0
Supporting People	-70	-70	0		0
Interest on Cash Balances	-137	-137	0		0
Grants	-296	-296	0		0
Insurance	-171	-170	1		1
Other Income	-49	-235	-187	Transfer of the Temporary Accommodation function from Council Fund to HRA with corresponding increase income offset by increase in expenditure in Supervision & Management premises	-9
Total Income	-47,951	-48,715	-764		-8
Net Expenditure	4,598	4,679	81		-94

HRA Reserve	£'000
Balance b/f 01/04/2023	16,998
Budgeted movement in year	-4,598
Variance for the year	-81
Balance c/f 31/03/2024	12,319