

## Housing Revenue Account 2020/21

|  | Housing Revenue Account |                 |                            | Forecast           |            |
|--|-------------------------|-----------------|----------------------------|--------------------|------------|
|  | Budget                  |                 |                            |                    |            |
|  | Income                  | Expenditure     | Net contribution / (spend) | Full Year Outturn  |            |
|  | £'000                   | £'000           | £'000                      | £'000              |            |
|  |                         |                 |                            | Full Year Variance |            |
| Rent Service Charges & Other Income        | 27,966                  | 0               | 27,966                     | 27,966             | 0          |
| Housing Management General                 | 164                     | (5,056)         | (4,892)                    | (4,892)            | 0          |
| Housing Management Special                 | 1,155                   | (2,953)         | (1,798)                    | (1,898)            | (100)      |
| Repairs (including Administration)         | 101                     | (5,576)         | (5,475)                    | (5,475)            | 0          |
| Interest                                   | 0                       | (5,961)         | (5,961)                    | (5,231)            | 730        |
| Depreciation                               | 0                       | (8,570)         | (8,570)                    | (8,570)            | 0          |
| Capital Expenditure Funded by HRA          | 0                       | 0               | 0                          | 0                  | 0          |
| Other Income & Expenditure                 | 26                      | (80)            | (54)                       | (54)               | 0          |
|  | <u>29,412</u>           | <u>(28,195)</u> | <u>1,216</u>               | <u>1,846</u>       | <u>630</u> |
| Working Balance at 1 April 2020            |                         |                 | 11,766                     | 11,766             | 0          |
| Add Surplus / (Deficit)                    |                         |                 | 1,216                      | 1,846              | 630        |
| Projected Working Balance at 31 March 2020 |                         |                 | <u>12,982</u>              | <u>13,612</u>      | <u>630</u> |

## Housing Revenue Account Capital 2020/21

|                              | HRA Capital Programme |                     |               |
|------------------------------|-----------------------|---------------------|---------------|
|                              | Budget                | Forecast<br>Outturn | Variance      |
|                              | £'000                 | £'000               | £'000         |
| Housing Major Works          | (5,669)               | (4,121)             | 1,548         |
| Improvements and Conversions | (1,270)               | (1,124)             | 146           |
| Other Capital Spend          | (2,166)               | (806)               | 1,360         |
| New Build Programme          | (26,909)              | (14,362)            | 12,547        |
|                              | <b>(36,014)</b>       | <b>(20,413)</b>     | <b>15,601</b> |

### Notes:

1. At the end of June the HRA revenue forecast outturn for 2020-21 is a favourable net variance of £0.630m .The forecast surplus for the year is now £1.846m with a predicted working balance at 31 March 2021 of £13.612m. There are two reasons for this net variance, the first is the need to provide extra security at one of the councils hostels, the second is the reduced need to finance the revenue consequences of capital expenditure resulting largely from lower borrowing in 2019/20 and lower current future PWLB rates than when the budget was originally set.
2. The capital outturn shows a favourable variance of £15.601m. In addition the funding carried forward to 2020/21 and future years from 2019-20 which is not included above is an additional £7.038m. The main reasons for the current year variances can be attributed to a number of key factors including; the impact of COVID-19 on programme delivery; the impact of programme slippage for a number of other reasons; the need to await confirmation of changes in building regulations resulting from Grenfell; and the need for decisions to be made on funding priorities for Climate Change. As a result officers are currently working on a re-profiled capital programme to be submitted for member approval in August.