

REPORT TITLE: HOUSING REVENUE ACCOUNT OUTTURN 2018/19

17 JULY 2019

REPORT OF PORTFOLIO HOLDER: PORTFOLIO HOLDER FOR HOUSING AND ASSET MANAGEMENT

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WARD(S): ALL

PURPOSE

This report provides an update to members on the financial performance of the Housing Revenue Account (HRA) in 2018/19 and the associated Housing capital programme. It also requests approval for revised budget forecasts to the 2019/20 HRA budget and capital programme to reflect updated costs and take account of emerging issues.

RECOMMENDATIONS:

That Cabinet:

1. Approves the HRA Outturn figures for 2018/19 as detailed in Appendices 1 and 2;
2. Notes the carry forward items from 2018/19 and approves the Re-forecast HRA Budget for 2019/20 as detailed in Paragraph 11.4 and Appendix 3;
3. Notes the Housing capital programme outturn for major works and new build developments as detailed in Paragraphs 11.7 to 11.8 and Appendices 4 & 5;
4. Approves the funding of the 2019/20 HRA capital programme as detailed in Paragraph 11.10 and Appendix 6;
5. Supports the re-forecast capital programme budget of £34.46m for 2019/20 as detailed in Paragraphs 11.13 and Appendix 7;

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 Providing good quality housing and new affordable homes is a strategic priority for the Council and effective resource management is key to achieving this objective. Regular updates to our financial forecasts and HRA Business Plan allows for the continuing success of our repairs service and the ability to take new build opportunities as they arise.

2 FINANCIAL IMPLICATIONS

- 2.1 Full details are included in Section 11 but, briefly, the Council achieved a net surplus of £2.51m in the HRA for 2018/19.
- 2.2 It is proposed to carry forward to 2019/20 £47k of unspent revenue budgets from 2018/19 to support the final stages of the Housing Company set up process. There is also a proposed reduction to the 2019/20 budget of £148k to align the budget with the final service review position. These carry forwards and adjustments will increase the 2019/20 revenue budget surplus from £4.07m to £4.18m as shown in Appendix 3. Further details are provided in Section 11.
- 2.3 Total expenditure in the Housing capital programme for 2018/19 was £14.10m some £2.97m lower than the revised forecast prediction of £17.08m. The original budget for the year was £22.03m but was revised due to a change in the timing of new build developments, some of which will commence in 2019/20.
- 2.4 It is proposed to carry forward to 2019/20 £3.01m of unspent capital budgets from 2018/19 to support the new homes programme in 2019/20. Further details are provided in Section 11.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Council, as a local housing authority, is required to maintain a separate Housing Revenue Account (HRA) with a positive working balance and keep borrowing levels within prudential rule guidelines, in accordance with s74 of the Local Government & Housing Act 1989 (the "1989 Act").
- 3.2 The HRA must include;
- a) sums falling to be credited or debited in accordance with the category of properties listed within s74(1) of the 1989 Act, which consists primarily of Council housing stock; and
 - b) any capital expenditure on housing stock which a Local Authority has decided to charge to revenue.

- 3.3 Save in accordance with a direction of the Secretary of State, sums may not be transferred between HRA or General Fund. Therefore the HRA is ring-fenced and unable to subsidise a budget deficit within the General Fund, conversely, the General Fund is unable to subsidise a budget deficit in the HRA. s76 of 1989 Act requires Local Authorities to formulate and implement proposals to secure the HRA for each financial year that does not show a debit balance. If a debit occurs, this must be carried forward to next financial year.
- 3.4 Effective management of the HRA is necessary to ensure that these statutory requirements are met.
- 3.5 HRA capital projects with costs in excess of £250,000 will be subject to a financial appraisal in line with Financial Procedure Rules. Similarly, new build projects that are to be submitted for planning permission and tender will be reported to Cabinet for approval.
- 4 WORKFORCE IMPLICATIONS
- 4.1 The HRA 2019/20 Budget and Business Plan report CAB3111(HSG) made reference to additional staff resources that would be needed to support the rollout of Universal Credit and higher new build programme targets. This report does not anticipate any further changes to those resource requests.
- 5 PROPERTY AND ASSET IMPLICATIONS
- 5.1 In order to meet one of the key principles of the Council's strategy, the HRA is required to provide sufficient financial resources to both maintain the Council's existing housing stock to decent homes standard and to enable new affordable housing to be built to help meet local demands.
- 6 CONSULTATION AND COMMUNICATION
- 6.1 The paper was reviewed by the Scrutiny Committee on 4 July 2019 with a requested change in point 3.5 confirming that Cabinet are required to approve new build projects.
- 7 ENVIRONMENTAL CONSIDERATIONS
- 7.1 The Housing Service considers environmental and ecological factors when developing new build properties and preparing major works plans including estate improvements, working closely with planning officers and the Council's Landscape Team where appropriate. Additional costs for meeting these responsibilities are included in project appraisals and scheme budgets.
- 8 EQUALITY IMPACT ASSESSMENT
- 8.1 There are no equality issues arising from this report.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None required.

10 RISK MANAGEMENT

| Risk | Mitigation | Opportunities |
|--|---|---|
| <i>Property That Council owned dwellings fail to meet decent home standards</i> | An effective programme of future works and sound financial planning ensures that these standards are met and then maintained. | |
| <i>Community Support Lack of consultation will affect tenant satisfaction and cause objections to planning applications for new build developments.</i> | Regular communication and consultation is maintained with tenants and leaseholders on a variety of housing issues. The Council consults with local residents and stakeholders on proposed new build schemes. | Positive consultation brings forward alternative options that may otherwise not have been considered. |
| <i>Timescales Delays to new build contracts may result in increased costs and lost revenue. Delays to major works may result in the loss of decent home status for individual properties.</i> | New build contracts contain clauses to allow the Council to recover damages if the project is delayed due to contractor actions. Continual updating of asset management plans and major works budgets allows potential issues to be addressed quickly. | |
| <i>Project capacity The HRA can borrow funds in addition to utilising external receipts and reserves but it must be able to service the loan interest arising and repay debt in the future. Staffing resources (not always in Housing) reduce the ability to push forward</i> | Regular monitoring of budgets and business plans, together with the use of financial assessment tools enables the Council to manage resources effectively. Staffing resources have been reviewed to support the delivery of the | The Council monitors government announcements on the use of RTB receipts and potential capital grant funding. |

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| <i>new schemes at the required pace.</i> | enhanced new build programme. | |
| <i>Financial / VfM Risks, mitigation and opportunities are discussed elsewhere in this report.</i> | | |
| <i>Legal Changing Government priorities and a greater emphasis on social housing (as opposed to affordable housing) may have a direct impact on future new build projects.</i> | Government policy changes are being monitored to identify any new risks or opportunities that they may bring. | |
| <i>Innovation The creation of a Housing Company to support the new build programme is introduced without reference to existing rules and consents.</i> | External legal and business planning advice has been sought to ensure the Council has the most appropriate and effective solution. | A Housing Company has the potential to increase the available supply of affordable housing to support our residents. |
| <i>Reputation Failure to complete major housing projects due to lack of resources would have a direct impact on both customer satisfaction and the Council's reputation.</i> | Business planning tools with regular updates are utilised to make sure resources are available to complete projects. | |
| <i>Other – None</i> | | |

11 SUPPORTING INFORMATION:

HRA Outturn 2018/19

- 11.1 Details of the 2018/19 financial performance are analysed in Appendix 1 (subjective summary) and Appendix 2 (service summary). Any proposed HRA revenue budget carry forwards from 2018/19 are shown in Appendix 3.

Overall, the HRA produced a surplus of £2.5m in the year against an income of £28.8m before asset sales and interest receivable. The outturn surplus is £1m higher than the £1.5m revised forecast budget prediction (CAB3111).

- 11.2 Within the subjective summary (Appendix 1), the material variances were:

- a) Employees - £328k under. This is due to the level of vacant posts arising during the year.
- b) Premises - £232k over. This is a combination of the increased void repairs and utility costs (electricity & gas supplies) arising during the year. Included in void repairs is the refurbishment at 84-86 Sussex Street which increases the homeless accommodation provision in the city.
- c) Supplies & Services - £155k under. This is mainly due to an under spend in other professional services & consultancy during the year.
- d) Support Services - £132k over. The actual cost of support services for 2018/19 was similar to 2017/18 levels however the budget for 2018/19 was understated. The latest forecast position for 2018/19 should have reflected the anticipated outturn level.
- e) Depreciation on Fixed Assets - £1.69m over. Following a review of the calculation method, highlighted by external audit, the depreciation method has been amended to reduce the average property lifespan to 60 years.

11.3 Within the service summary (Appendix 2), the material variances were:

- a) HRA General - £255k under. This is mainly due to the level of vacant posts arising during the year, as mentioned in 11.2(a) above.
- b) Rent Accounting - £75k under. The level of support services recharge from the general fund was lower than anticipated compared to latest forecast.
- c) New Build Programme Support - £131k over. The 2018/19 outturn included additional support recharges from the general fund to support new homes delivery and new scheme feasibility.
- d) Estate Maintenance - £54k under. This service is demand led with a reduced need in 2018/19.
- e) Homelessness £44k over. The revised forecast of £61k did not include a pension cost adjustment of £13k, so the true position was a £31k adverse variance. This variance was due to the cost of a CCTV system at a property and additional utility costs than originally forecast.
- f) Sewage Works - £94k over – Works carried out by the special maintenance team, on behalf of the HRA, are demand led. There was an increased level of demand in 2018/19.
- g) Sheltered Housing – £151k over. The over spend was mainly due to an increase in equipment replacement at schemes, in line with the current replacement programme, and increase utility costs (as mentioned in

11.2(b) above. The equipment replacement included much needed communal furniture in sheltered schemes.

- h) Void Repairs- £252k over. The level of void repairs increased in the final quarter of 2018/19 resulting in an adverse variance. Void repairs are demand led and will vary depending on the condition of each property prior to reletting.
- i) Depreciation of Fixed Assets - £1.69m over. As mentioned in 11.2(e) above, following a review of the calculation method, highlighted by external audit, the depreciation method has been amended to reduce the average property lifespan to 60 years.
- j) Garage Rents - £64k over. Rental income was higher than forecast but void levels were higher than expected. There are a number of vacant garages at present but we are offering short term rental incentives and the option to use garages for storage in order to reduce void levels.

11.4 HRA Revenue Carry Forwards from 2018/19 to 2019/20 and 2019/20 budget adjustments

The proposed HRA Revenue Carry Forwards and adjustments from 2018/19 to 2019/20 are shown in Appendix 3 and are as follows:

- a) Housing Company setup costs £47k. To include professional advice and consultancy support during the final company setup phase.

Support services £138k. An adjustment to bring the 2019/20 budget in line with the recharge levels in 2018/19. (See 11.2(d) above).
- b) Service Review 2019/20 budget adjustments (£149k). This represents some adjustments to posts that were originally included in the 2019/20 budget but are not now in the employee post structure.
- c) Depreciation £1.45m. A budget adjustment to bring the depreciation charge for 2019/20 in line with the new calculation method identified in 11.2(e) above.

11.5 HRA Capital Programme Outturn 2018/19

- 11.6 Appendices 4 & 5 detail the expenditure in 2018/19 for both the Housing Services and New Build capital programmes against both the original budget and latest forecast position.
- 11.7 Within Housing Services (Appendix 4), £7.86m was spent against a latest forecast of £7.72m, an adverse variance of £138k on the year.

The material variances were as follows:

- a) Major Repairs - £62k under. There are a combination of under and over spends within the major repairs envelope as works were directed in line with repair plans during the year.
- b) Improvements & Conversions - £193k over. This is mainly due to the over spend on Estate Improvements at Trussell Crescent. The overall cost of these improvements were significantly higher than originally budgeted as the scope of the work changed through resident consultation and the contract cost arising from the works tender.
- c) Disabled Adaptations - £53k over. The demand for adaptations increase during the year but this was matched by DFG grant.
- d) Other projects - £47k under. This was mainly due to a reduced requirement for capital works on sewage treatment plants.

11.8 For the new build capital programme (Appendix 5), £6.24m was spent against a latest forecast of £9.35m, a favourable variance on the year of £3.11m.

The material variances were as follows:

- a) Victoria Court - £376k over. Following the liquidation of HH Drew, the appointed build contractor, we appointed a management contractor to organise and supervise the remaining works to practical completion. The additional cost of works will be met by the performance bond claim, taken out as a precaution before the original build contract with HH Drew was signed. Recovery of the performance bond claim is expected in 2019/20 and this has been reflected in the carry forward budget (see 11.13(a)).
- b) Mayles Lane - £435k under. This scheme is currently on site and expected to complete in the summer of 2019/20. The variance will be carried forward to 2019/20 (see 11.13(c)).
- c) The Valley - £463k under. This scheme commenced on site in April 2020 with the variance reflecting the remainder of the pre-site works. The variance will be carried forward to 2019/20 (see 11.13(b)).
- d) Rowlings Road - £228k under. This scheme is currently at build tender stage with a start on site expected in the summer of 2019/20. The variance relates to the remainder of the pre-site works. The variance will be carried forward to 2019/20 (see 11.13(d)).
- e) Hookpit, Kings Worthy - £1.94m under. The upfront payment to the contractor, a deposit and fee at planning approval stage, was forecast to be paid in March 2019. The planning process is still in progress with the payment likely to be in the summer of 2019. The variance will be carried forward to 2019/20 (see 11.13(h)).

- f) Sheltered Conversions - £139k under. – There are some outstanding works due for completion in 2019/20 for common room conversions. The variance will be carried forward to 2019/20 (see 11.13(i)).

11.9 HRA Capital Programme Funding

11.10 Appendix 6 details the actual funding for the capital programme in 2018/19. The funding requirement for the year was £2.97m less than previously identified in the latest forecast budget. The Housing Services programme was overspent by £138k, with the New Build capital programme being £3.1m underspent. With the capital funding requirement being reduced it has meant that the predicted £2.3m HRA reserve transfer has not been required in 2018/19. The HRA has benefited from the £2.27m acquisition payment from the general fund in respect of the first 25% tranche of garage transfers in March 2019. Property sales, including RTB receipts and new build sales have contributed £3.3m during 2018/19. The HRA also received during the year the final grant payment of £716m from Hampshire County Council for the Chesil Lodge Extra Care scheme. The major repairs reserve requirement was increased by £3.09m to cover the major repairs element of the Housing Services programme.

11.11 HRA Capital Programme Re-Forecast for 2019/20

11.12 Within the New Homes programme, an increase to the original capital programme budget of £3.01m is proposed in Appendix 7. When added to the original budget of £22.40m, it gives a revised expenditure budget requirement of £25.42m in 2019/20.

11.13 The reasons for the proposed New Build programme carry forward of £3.01m are outlined below:

- a) Victoria Court – A budget adjustment of £376k. This is mainly represented by the outstanding performance bond claim related to the rectification works required following the liquidation of HH Drew the original building contractor. There are also some minor remaining works which should complete by the first quarter of 2019/20.
- b) The Valley – A carry forward of £463k. The scheme started on site in April 2019 with the carry forward representing the last element of pre-site works. The carry forward figure forms part of the overall project budget.
- c) Mayles Lane - A carry forward of £435k. The scheme is on site and due for completion in the summer of 2019. The carry forward figure is due to scheme timing and forms part of the overall project budget.
- d) Rowlings Road – A carry forward of £228k. The scheme is due to go on site later in 2019/20. The carry forward represents the remainder of the pre-site works and forms part of the overall project budget.

- e) Wykeham Place – A carry forward of £50k. The scheme is still at feasibility stage with the carry forward representing the remainder of the initial feasibility budget.
- f) Charles/Dyson – A carry forward of £73k. The scheme is still at feasibility stage with the carry forward representing the remainder of the initial feasibility budget.
- g) Woodman Close – A carry forward of £45k. The scheme is still at feasibility stage with the carry forward representing the remainder of the initial feasibility budget.
- h) Hookpit – A carry forward of £1.95m. The scheme will commence on site in 2019/20 subject to planning permission being granted. The carry forward figure represents the agreed upfront payment to the developer that was original planned for March 2019 and forms part of the approved scheme budget.
- i) Sheltered Conversions – A carry forward of £139k. This is due to the timing of conversions, due for completion in 2019/20.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 No further options have been considered apart from the proposed carry forward requests from 2018/19 to the 2019/20 budget.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB2791(HSG) Housing Revenue Account Housing Management Strategy – 22 March 2016

CAB2842(HSG) Authorisation for final approval to construct housing scheme at Mitford Road, Alresford – 11 October 2016

CAB2930(HSG) Housing Revenue Account 2016/17 Outturn and Key Performance Indicators – 6 July 2017

CAB2986(HSG) Housing Revenue Account Budget Options 2018/19 and Rent Setting – 22 November 2017

CAB3016(HSG) Housing Revenue Account Budget 2018/19 and Business Plan – 31 January 2018.

Other Background Documents:-

None.

APPENDICES:

Appendix 1 – Housing Revenue Account Outturn 2018/19 – Subjective Summary

Appendix 2 – Housing Revenue Account Outturn 2018/19 – Service Summary

Appendix 3 – Housing Revenue Account 2019/20 – Re-forecast Budget

Appendix 4 – Housing Capital Programme 2018/19 – Housing Services Outturn

Appendix 5 – Housing Capital Programme 2018/19 – New Build Outturn

Appendix 6 – Housing Capital Programme 2019/19 Funding

Appendix 7 – Housing Capital Programme 2019/20 – Re-forecast Budget

| Winchester City Council Housing Revenue Account | Outturn 2018/19 | | | | CAB3161(HSG) Appendix 1 |
|--|------------------------------------|-------------------------------------|---------------------|---------------------------------------|----------------------------|
| | Original Budget CAB3016(HSG) | Revised Forecast CAB3111(HSG) | Outturn | Variance to Revised Forecast | |
| Housing Revenue Account: | 2018/19 | 2018/19 | 2018/19 | | |
| Subjective Summary | £ | £ | £ | £ | |
| Employees | (3,967,922) | (3,964,227) | (3,635,754) | 328,473 | Paragraph 11.2.a) |
| Premises | (5,074,653) | (5,502,780) | (5,734,393) | (231,613) | Paragraph 11.2.b) |
| Transport | (305,526) | (313,505) | (304,163) | 9,342 | |
| Supplies & Services | (868,054) | (1,073,840) | (919,282) | 154,559 | Paragraph 11.2.c) |
| Third Party Payments | (106,500) | (106,000) | (98,390) | 7,610 | |
| Support Services | (2,027,212) | (2,031,662) | (2,163,396) | (131,734) | Paragraph 11.2.d) |
| External Interest Payable | (5,206,090) | (5,192,090) | (5,167,926) | 24,164 | |
| Depreciation on Fixed Assets | (6,044,100) | (6,660,100) | (8,348,751) | (1,688,651) | Paragraph 11.2.e) |
| Amortisation of Intangibles | 0 | 0 | (9,607) | (9,607) | |
| External income | 28,926,256 | 28,761,437 | 28,805,157 | 43,720 | |
| Items included in I&E but reversed in Balance Sheet | 0 | 0 | (29,790,465) | (29,790,465) | |
| Surplus/(Deficit) for year on HRA Services | 5,326,199 | 3,917,233 | (27,366,968) | (31,284,201) | |
| Adjustments between accounting basis and funding basis under statute and transfers between reserves: | | | | | |
| | (5,508,200) | (2,301,200) | 29,877,639 | 32,178,839 | |
| Net increase/(decrease) in HRA Balance before transfers to or from reserves | (182,001) | 1,616,033 | 2,510,670 | 894,637 | |
| | | | | | |
| Transfer re Insurance Reserve | (66,300) | (66,300) | 0 | 66,300 | |
| Increase/(decrease) in HRA Balance | (248,301) | 1,549,733 | 2,510,670 | 960,937 | |
| HRA Working Balance | | | | | |
| Opening Balance | 5,927,548 | 9,116,004 | 9,116,004 | 0 | |
| Add (Deficit)/Surplus | (248,301) | 1,549,733 | 2,510,670 | 960,937 | |
| Balance at Year End | 5,679,247 | 10,665,737 | 11,626,674 | 960,937 | |
| Note: | | | | | |
| Items combined into the "I&E but reversed in balance sheet" line include stock revaluations, net sale of assets proceeds, IAS19 pension adjustments, capital grants and a transfer to the Major Repairs Reserve. | | | | | |

| Winchester City Council Housing Revenue Account | Outturn 2018/19 | | | CAB3161(HSG) | |
|--|------------------|------------------|---------------------|---------------------|-------------------|
| | Original | Revised | | Appendix 2 | |
| | Budget | Forecast | | Variance | |
| | CAB3016(HSG) | CAB3111(HSG) | Outturn | to | |
| Housing Revenue Account: | 2018/19 | 2018/19 | 2018/19 | Revised Forecast | |
| Service Summary | £ | £ | £ | £ | Notes |
| Housing Management General | | | | | |
| Estate Management | (1,260,431) | (1,230,269) | (1,283,409) | (53,140) | |
| HRA General | (1,794,375) | (2,013,818) | (1,758,831) | 254,987 | Paragraph 11.3.a) |
| HRA Contribution to Non-Distributed Costs | (234,968) | (234,968) | (232,705) | 2,263 | |
| HRA Contribution to Democratic Core | (117,928) | (121,048) | (108,018) | 13,030 | |
| Removal Incentive Scheme | (50,000) | (60,000) | (80,640) | (20,640) | |
| Rent Accounting | (260,211) | (251,522) | (176,559) | 74,963 | Paragraph 11.3.b) |
| Tenants Information | (116,249) | (123,424) | (90,168) | 33,256 | |
| Vacant Dwellings | (9,200) | (109,550) | (64,573) | 44,977 | |
| New Build Programme Support | (668,468) | (652,098) | (783,354) | (131,256) | Paragraph 11.3.c) |
| | (4,511,830) | (4,796,697) | (4,578,256) | 218,441 | |
| Housing Management Special | | | | | |
| Communal Services | 90,500 | 78,016 | 109,608 | 31,592 | |
| Disabled Adaptations | (115,245) | (135,696) | (144,190) | (8,494) | |
| Estate Maintenance | (511,717) | (535,917) | (481,252) | 54,665 | Paragraph 11.3.d) |
| Homelessness | 66,600 | 61,740 | 17,809 | (43,931) | Paragraph 11.3.e) |
| Sewage Works | (185,179) | (185,179) | (279,187) | (94,008) | Paragraph 11.3.f) |
| Sheltered Housing | (760,988) | (835,118) | (985,877) | (150,759) | Paragraph 11.3.g) |
| | (1,416,029) | (1,552,154) | (1,763,090) | (210,936) | |
| Repairs | | | | | |
| Responsive Maintenance | (2,351,407) | (2,400,000) | (2,368,352) | 31,648 | |
| Voids | (585,000) | (850,000) | (1,101,668) | (251,668) | Paragraph 11.3.h) |
| Cyclic | (850,000) | (800,000) | (772,530) | 27,470 | |
| Sub - total Repairs Works | (3,786,407) | (4,050,000) | (4,242,550) | (192,550) | |
| Repairs Administration | (1,244,978) | (1,188,780) | (1,225,689) | (36,909) | |
| | (5,031,385) | (5,238,780) | (5,468,239) | (229,459) | |
| Debt Management Expenses | (18,297) | (18,297) | (14,359) | 3,938 | |
| External Interest Payable | (5,182,000) | (5,168,000) | (5,167,926) | 74 | |
| Depreciation of Fixed Assets | (6,044,100) | (6,660,100) | (8,348,751) | (1,688,651) | Paragraph 11.3.i) |
| Amortisation of Intangibles | 0 | 0 | (9,607) | (9,607) | |
| | (11,244,397) | (11,846,397) | (13,540,643) | (1,694,246) | |
| Rents and Other Income | | | | | |
| Dwelling Rents | 26,097,400 | 25,897,400 | 25,960,585 | 63,185 | |
| Garage Rents | 650,240 | 650,240 | 586,131 | (64,109) | Paragraph 11.3.j) |
| Other Income | 264,800 | 286,221 | 314,130 | 27,909 | |
| Sheltered Charges | 517,400 | 517,400 | 525,915 | 8,515 | |
| | 27,529,840 | 27,351,261 | 27,386,761 | 35,500 | |
| Items included in I&E but reversed in Balance Sheet | 0 | 0 | (29,403,501) | (29,403,501) | |
| Surplus/(Deficit) for year on HRA Services | 5,326,199 | 3,917,233 | (27,366,968) | (31,284,201) | |

| Housing Revenue Account: | Revised | | CAB3036(HSG) | | Notes |
|--|------------------|-------------------|-------------------|----------------|-------|
| | Original | Forecast | Appendix 2 | | |
| | Budget | Budget per | (Cont) | | |
| | CAB3016(HSG) | CAB3111(HSG) | Outturn | Variance | |
| Service Summary (continued) | 2018/19 | 2018/19 | 2018/19 | to Revised | |
| | £ | £ | £ | Forecast | |
| Adjustments between accounting basis and funding basis under statute and transfers between reserves | (5,508,200) | (2,301,200) | 29,877,639 | 32,178,839 | |
| Net increase/(decrease) in HRA Balance before transfers to or from reserves | (182,001) | 1,616,033 | 2,510,670 | 894,637 | |
| Transfer re Insurance Reserve | (66,300) | (66,300) | 0 | 66,300 | |
| Increase/(decrease) in HRA Balance | (248,301) | 1,549,733 | 2,510,670 | 960,937 | |
| HRA Working Balance | | | | | |
| Opening Balance | 5,927,548 | 9,116,004 | 9,116,004 | 0 | |
| Add (Deficit)/Surplus | (248,301) | 1,549,733 | 2,510,670 | 960,937 | |
| Balance at Year End | 5,679,247 | 10,665,737 | 11,626,674 | 960,937 | |
| Note: | | | | | |
| Items combined into the "I&E but reversed in balance sheet" line include stock revaluations, net sale of assets proceeds, IAS19 pension adjustments, capital grants and a transfer to the Major Repairs Reserve. | | | | | |

| Housing Revenue Account 2019/20 - Re-Forecast Budget | | | | CAB3161 (HSG) Appendix 3 |
|--|---------------------|----------------------------------|----------------------------------|-----------------------------|
| | Revised Forecast | Carry Fwds & Other Changes | 2019/20 Re-Forecast Budget | |
| Service Summary | CAB3111(HSG) £ | £ | £ | Report Note |
| Housing Management General | | | | |
| Estate Management | (1,363,347) | 29,144 | (1,334,203) | Paragraph 11.4(b) |
| HRA General | (2,127,947) | (185,000) | (2,312,947) | Paragraph 11.4(a) |
| Removal Incentive Scheme | (60,000) | | (60,000) | |
| Rent Accounting | (263,638) | | (263,638) | |
| Tenants Information | (112,926) | | (112,926) | |
| Vacant Dwellings | (24,550) | | (24,550) | |
| New Build Programme Support | (894,900) | 55,798 | (839,102) | Paragraph 11.4(b) |
| | (4,847,308) | (100,058) | (4,947,366) | |
| Housing Management Special | | | | |
| Communal Services | 82,856 | | 82,856 | |
| Disabled Adaptations | (117,338) | | (117,338) | |
| Estate Maintenance | (481,717) | | (481,717) | |
| Homelessness | 52,350 | | 52,350 | |
| Sewage Works | (185,179) | | (185,179) | |
| Sheltered Housing | (747,878) | | (747,878) | |
| | (1,396,906) | 0 | (1,396,906) | |
| Repairs | | | | |
| Responsive Maintenance | (2,264,897) | | (2,264,897) | |
| Voids | (981,910) | | (981,910) | |
| Cyclic | (775,192) | | (775,192) | |
| <i>Sub - total Repairs Works</i> | (4,021,999) | 0 | (4,021,999) | |
| Repairs Administration | (1,233,443) | 63,968 | (1,169,475) | Paragraph 11.4(b) |
| | (5,255,442) | 63,968 | (5,191,474) | |
| Debt Management Expenses | | | | |
| Debt Management Expenses | (18,297) | | (18,297) | |
| Interest Payable | (5,188,000) | | (5,188,000) | |
| Depreciation of Fixed Assets | (6,904,000) | (1,445,000) | (8,349,000) | Paragraph 11.4(c) |
| | (12,110,297) | (1,445,000) | (13,555,297) | |
| Rents and Other Income | | | | |
| Dwelling Rents | 26,444,804 | | 26,444,804 | |
| Garage Rents | 387,111 | | 387,111 | |
| Other Income | 286,221 | | 286,221 | |
| Sheltered Charges | 548,647 | | 548,647 | |
| Interest Receivable | 21,000 | | 21,000 | |
| | 27,687,783 | | 27,687,783 | |
| Surplus for year on HRA Services | 4,077,830 | (1,481,090) | 2,596,740 | |

| Housing Revenue Account 2019/20 - Re-Forecast Budget | | | | CAB3161 (HSG) Appendix 3 (cont) |
|--|---|---------------------------------------|---------------------------------------|------------------------------------|
| | Original Budget CAB3111(HSG) £ | Carry Fwds & Other Changes £ | 2019/20 Re-Forecast Budget £ | Report Note |
| Capital Expenditure funded by HRA | (8,622,000) | | (8,622,000) | |
| Right to Buy Admin Fees | 20,800 | | 20,800 | |
| Net increase/(decrease) in HRA Balance before transfers to or from reserves | (4,523,370) | (1,481,090) | (6,004,460) | |
| Transfer re Insurance Reserve | (66,300) | | (66,300) | |
| Increase/(decrease) in HRA Balance | (4,589,670) | (1,481,090) | (6,070,760) | |
| HRA Working Balance | | | | |
| Opening Balance (from Outturn) | 11,626,674 | | 11,626,674 | |
| Add Projected (Deficit)/Surplus | (4,589,670) | | (6,070,760) | |
| Projected Balance at Year End | 7,037,004 | | 5,555,914 | |

| Housing Capital Programme - 2018/19 Outturn | | | | CAB3161(HSG) | |
|---|---------------------------------|-------------------------------------|--------------------|-------------------------------|-------------------|
| | | | | Appendix 4 | |
| Housing Services - Major Repairs | Original Budget (CAB3016HSG) | Revised Forecast (CAB3111HSG) | Actual Results | Variance to Final Forecast | Report Note |
| | £ | £ | £ | £ | |
| Major Repairs | | | | | |
| External Building Structure Works | (2,942,000) | (2,300,000) | (2,433,169) | (133,169) | |
| External Windows/Doors/Screens | (417,000) | (150,000) | (119,432) | 30,568 | |
| Kitchen & Bathroom Renewals | (763,000) | (1,100,000) | (1,057,952) | 42,048 | |
| Mechanical & Electrical Services | (797,000) | (1,762,000) | (1,596,251) | 165,749 | |
| Internal Structures & Finishes | (231,000) | (400,000) | (489,688) | (89,688) | |
| External Ground Works | (933,000) | (550,000) | (503,444) | 46,556 | |
| Sub-Total | (6,083,000) | (6,262,000) | (6,199,935) | 62,065 | Paragraph 11.7(a) |
| Improvements & Conversions | | | | | |
| Estate Improvements | (250,000) | (285,000) | (548,446) | (263,446) | Paragraph 11.7(b) |
| Loft Conversion & Extensions | (100,000) | (100,000) | (70,728) | 29,272 | |
| Sheltered Upgrades | (60,000) | (60,000) | (19,045) | 40,955 | |
| Sub-Total | (410,000) | (445,000) | (638,220) | (193,220) | |
| Disabled Adaptations | (770,000) | (775,400) | (828,952) | (53,552) | Paragraph 11.7.c) |
| Sheltered Wi-Fi Scheme | (38,000) | (143,000) | (154,805) | (11,805) | Paragraph 11.7(d) |
| Sewage Treatment Works | (100,000) | (100,000) | (41,571) | 58,429 | Paragraph 11.7(d) |
| Major Works Total | (7,401,000) | (7,725,400) | (7,863,483) | (138,083) | |

| Housing Capital Programme - 2018/19 Outturn (Continued) | | | | CAB3161(HSG) | |
|---|---------------------|---------------------|---------------------|----------------------------|-------------------|
| New Build Programme | Original Budget | Revised Forecast | Actual Results | Appendix 5 | Report Note |
| | (CAB3016HSG) | (CAB3111HSG) | | Variance to Final Forecast | |
| | £ | £ | £ | £ | |
| Coles Mead, Otterbourne | | | (2,000) | (2,000) | |
| Hillier Way, Abbots Barton | | (10,000) | (3,941) | 6,059 | |
| Victoria House | | (440,000) | (816,290) | (376,290) | Paragraph 11.8(a) |
| Chesil Street Extra Care | (560,000) | (2,830,000) | (2,832,434) | (2,434) | |
| Hussey Close, Abbots Barton | | | | 0 | |
| Mitford Road, New Alresford | (267,000) | (425,000) | (378,214) | 46,786 | |
| Mayles Lane, Knowle | (1,530,000) | (1,540,000) | (1,104,882) | 435,118 | Paragraph 11.8(b) |
| Bailey Close, Stanmore | (300,000) | (525,000) | (478,477) | 46,523 | |
| Milford House | | | | 0 | |
| The Valley, Stanmore | (3,975,000) | (850,000) | (387,084) | 462,916 | Paragraph 11.8.c) |
| Rowlings Road, Weeke | (680,000) | (250,000) | (21,733) | 228,267 | Paragraph 11.8(d) |
| Wykeham Place, Stanmore | (50,000) | (50,000) | | 50,000 | |
| Meryon Road, Alresford | (250,000) | | | 0 | |
| Charles Dyson, Abbots Barton | (700,000) | (100,000) | (26,883) | 73,117 | |
| Dolphin Hill, Twyford | (500,000) | (60,000) | (64,186) | (4,186) | |
| Woodman Close, Sparsholt | (50,000) | (50,000) | (4,871) | 45,129 | |
| Hookpit, Kings Worthy | (3,750,000) | (1,950,000) | (1,850) | 1,948,150 | Paragraph 11.8(e) |
| Winnall Flats | | (70,000) | (56,935) | 13,065 | |
| Sheltered Housing Conversions | (200,000) | (200,000) | (61,410) | 138,590 | Paragraph 11.8(f) |
| Sites to be funded from 1-4-1 receipts | (1,820,000) | | | 0 | |
| New Build Total | (14,632,000) | (9,350,000) | (6,241,189) | 3,108,811 | |
| Total Capital Programme | (22,033,000) | (17,075,400) | (14,104,672) | 2,970,728 | |

| Housing Capital Programme Funding 2018/19 | | | | CAB3161(HSG) | |
|---|-------------------|-------------------|-------------------|----------------------------|-----------------|
| | | | | Appendix 6 | |
| Funding Source | Original Budget | Revised Forecast | Actual Results | Variance to Final Forecast | Report Note |
| | (CAB3016HSG) | (CAB3111HSG) | | | |
| | £ | £ | £ | £ | |
| Right to Buy 1-4-1 Receipts | 3,029,000 | 1,584,400 | 1,477,304 | 107,096 | |
| RTB Other Retained Receipts | 0 | 610,000 | | 610,000 | |
| New Build Sales | 2,288,000 | 3,800,000 | 1,859,847 | 1,940,153 | |
| Other Capital Receipts | 0 | 967,000 | | 967,000 | |
| S.106 Contributions | 0 | 360,000 | | 360,000 | |
| Homes England Grant | 2,091,000 | 0 | | 0 | |
| Hampshire County Council Extra Care Grant | 737,000 | 866,000 | 716,867 | 149,133 | |
| HRA Revenue Contribution to Capital | 5,550,000 | 2,343,000 | | 2,343,000 | |
| Additional Borrowing | 0 | 0 | | 0 | |
| Garage Transfer to General Fund | 3,078,000 | 1,858,000 | 2,274,851 | (416,851) | |
| Major Repairs Reserve | 5,260,000 | 4,687,000 | 7,775,802 | (3,088,802) | |
| Total Capital Funding | 22,033,000 | 17,075,400 | 14,104,672 | 2,970,728 | Paragraph 11.10 |

| Housing Capital Programme - Re-Forecast Budget 2019/20 | | | | CAB3161(HSG) |
|--|------------------------------------|-----------------------------------|----------------------------------|--------------|
| | | | | Appendix 7 |
| Housing Services | Revised Forecast (CAB3111(HSG)) | Carry Forwards & Other Changes | Re-Forecast Budget 2019/20 | Notes |
| | £ | £ | £ | |
| Major Repairs | | | | |
| External Building Structure Works | (3,460,000) | 0 | (3,460,000) | |
| External Windows/Doors/Screens | (614,000) | 0 | (614,000) | |
| Kitchen & Bathroom Renewals | (993,000) | 0 | (993,000) | |
| Mechanical & Electrical Services | (49,000) | 0 | (49,000) | |
| Internal Structures & Finishes | (1,229,000) | 0 | (1,229,000) | |
| External Ground Works | (508,000) | 0 | (508,000) | |
| Sub-Total | (6,853,000) | 0 | (6,853,000) | |
| Improvements & Conversions | | | | |
| Estate Improvements | (250,000) | 0 | (250,000) | |
| Sheltered Upgrades | (70,000) | 0 | (70,000) | |
| Sub-Total | (320,000) | 0 | (320,000) | |
| Disabled Adaptations | (770,000) | 0 | (770,000) | |
| Other Capital Works | | | | |
| Sheltered Wi-Fi Scheme | 0 | 0 | 0 | |
| Fire Safety Provision | (1,000,000) | 0 | (1,000,000) | |
| Sewage Treatment Works | (103,000) | 0 | (103,000) | |
| Sub-Total | (1,103,000) | 0 | (1,103,000) | |
| Major Works Total | (9,046,000) | 0 | (9,046,000) | |
| | | | | |
| | | | | |

| Housing Capital Programme - Re-Forecast Budget 2019/20 (Cont.) | | | | CAB3161(HSG) |
|--|-----------------------|--------------------------------|----------------------------|--------------------|
| | | | Re-Forecast Budget 2019/20 | Appendix 7 (Cont.) |
| | Original Budget | Carry Forwards & Other Changes | | Notes |
| New Build Programme | (CAB3111(HSG)) | | | |
| | £ | | £ | |
| Victoria Court | | 376,290 | 376,290 | Para. 11.13.a) |
| Hillier Way | | | 0 | |
| Chesil Street Extra Care | | | 0 | |
| Mitford Road, New Alresford | | | 0 | |
| The Valley, Stanmore | (7,687,000) | (462,916) | (8,149,916) | Para. 11.13.b) |
| Mayles Lane, Knowle | (674,000) | (435,118) | (1,109,118) | Para. 11.13.c) |
| Bailey Close, Stanmore | | | 0 | |
| Rowlings Road, Weeke | (1,151,000) | (228,267) | (1,379,267) | Para. 11.13.d) |
| Wykeham Place | (27,000) | (50,000) | (77,000) | Para. 11.13.e) |
| Meryon Road, Alresford | | | 0 | |
| Charles/Dyson, Abbots Barton | (518,000) | (73,117) | (591,117) | Para. 11.13.f) |
| Dolphin Hill, Twyford | (372,000) | 4,186 | (367,814) | |
| Woodman Close, Sparsholt | (436,000) | (45,129) | (481,129) | Para. 11.13.g) |
| Hookpit, Kings Worthy | (6,282,000) | (1,948,150) | (8,230,150) | Para. 11.13.h) |
| Winnall Flats | (2,850,000) | (13,065) | (2,863,065) | |
| Wickham CLT | (410,000) | 0 | (410,000) | |
| Sheltered Conversions | | (138,590) | (138,590) | Para. 11.13.i) |
| RTB 1-4-1 Funded Sites | | | 0 | |
| Unallocated Sites | (2,000,000) | 0 | (2,000,000) | |
| New Build Total | (22,407,000) | (3,013,876) | (25,420,876) | |
| | | | | |
| Total Capital Programme | (31,453,000) | (3,013,876) | (34,466,876) | |