

**HOUSING REVENUE ACCOUNT SUMMARY**

	Revised Estimate 2018/19 £	Actual 2018/19 £	Variation £	%
<b><u>HOUSING REVENUE ACCOUNT</u></b>				
<u>Expenditure</u>				
Employees	3,979,500	3,468,371	(511,129)	(12.8)
Premises	1,038,500	794,590	(243,910)	(23.5)
Transport	114,800	135,254	20,454	17.8
Supplies and Services	1,680,700	1,824,577	143,877	8.6
Other Expenditure	523,750	607,503	83,753	16.0
Central Support Services	3,838,500	3,650,983	(187,517)	(4.9)
Capital	7,976,650	8,112,061	135,411	1.7
	19,152,400	18,593,339	(559,061)	(2.9)
<u>Income</u>				
Income	(19,380,950)	(18,733,885)	647,065	(3.3)
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<b>Total Housing Revenue Account</b>	<b>(228,550)</b>	<b>(140,546)</b>	<b>88,004</b>	<b>(38.5)</b>

**VARIATIONS BETWEEN ACTUAL AND ESTIMATED INCOME  
AND EXPENDITURE 2018/19**

**HOUSING REVENUE ACCOUNT**

Comments	Revised Estimate 2018/19 £	Actual 2018/19 £	Variation £	%
<p><b>Employees</b></p> <p>There were a number of significant underspends in specific areas due to vacant posts including Housing Repairs (£266,000), Independent Living (£187,000) and Housing Administration (£115,000).</p> <p>Vacant posts in Housing Operations, Estate Caretakers, Allocations and Housing Strategy resulted in a total underspend on employee costs in these areas of £153,000.</p> <p>There was also a total underspend of £135,000 in respect of the Director of Housing, Leisure and Property Services post (deleted by Policy and Performance Committee on 12 December 2018).</p> <p>The above vacant posts also resulted in a requirement of agency staff in Housing Repairs costing £72,000 and in Independent Living costing £99,000</p> <p>There were also additional overtime costs of £17,000 and £6,500 in Housing Repairs and Independent Living respectively.</p>	3,979,500	3,468,371	(511,129)	(13)
<p><b>Premises</b></p> <p>Fire safety and external redecoration work for which budget had been provided were instead charged to the capital programme resulting in an underspend of £284,000.</p>	1,038,500	794,590	(243,910)	(23)

<p>There was an underspend of £136,200 on internal decoration, furniture and communal areas in Independent Living properties that was partly offset by an overspend on utility (primarily electricity) costs of £79,350 in these properties as well as additional lift maintenance expenditure of £11,900.</p> <p>There was an overspend of £35,000 on estates related activities including clearance and community based work as well as additional legionella testing work costing £15,650 following a detailed stock review exercise and additional costs for smoke and fire alarms and lifeline equipment totalling £31,350.</p> <p>Additional grounds maintenance charges of £13,650 were incurred that were partly offset by a reduction of £10,200 in vandalism and general repairs and maintenance costs.</p>				
<b>Transport</b>	114,800	135,254	20,454	18
<p>There were additional vehicle maintenance and fuel costs totalling £20,450.</p>				
<b>Supplies and Services</b>	1,680,700	1,824,577	143,877	9
<p>Additional stores purchases amounted to £216,300 but this was largely offset by a reduction in direct materials purchases of £180,000.</p> <p>There were additional sub-contractors costs of £151,350 due to the vacant posts in Housing Repairs referred to previously.</p> <p>A review of the work carried out by Grounds Maintenance employees to establish a more appropriate charge to the Housing Revenue Account for this activity resulted in an additional cost of £99,700.</p>				

<p>There was an overspend of £25,000 on waste disposal costs as well as an increase of £28,500 in the provision for bad debts. These were largely offset by an underspend of £17,800 on consultancy costs associated with the review of Independent Living (most of the work was undertaken in the previous year) and the fact that the £30,000 contingency was not utilised.</p> <p>Whilst additional council tax charges of £36,350 were incurred due to an increase in the periods when properties were unoccupied, this was more than offset by a saving of £49,650 on insurance costs due to lower premiums and a reduction in the number and value of claims received in the year.</p> <p>There were also underspends of £15,950 on cleaning costs following a change in contractor and £10,550 on tools and equipment.</p>				
<b>Other Expenditure</b>	523,750	607,503	83,753	16
<p>A review of the work carried out by Grounds Maintenance employees to establish a more appropriate charge to the Housing Revenue Account for this activity resulted in an additional cost of £112,800.</p>				
<b>Central Support Services</b>	3,838,500	3,650,983	(187,517)	(5)
<p>Central support recharges into the Housing Revenue Account were less than had been anticipated. This is also reflected in a reduced amount charged out by the Housing Revenue Account as shown under Income below.</p>				
<b>Capital</b>	7,976,650	8,112,061	135,411	2

<p>The recharge of external interest costs to the Housing Revenue Account was £162,000 larger than anticipated due to it having a greater share of the Council's external loans in 2018/19 than had been budgeted.</p>				
<p><b>Income</b></p>	(19,380,950)	(18,733,885)	647,065	(3)
<p>Housing rent income was £305,550 less than the budget due to a greater number of properties being sold during the year (37) than had been anticipated and to loss of revenue arising from empty properties.</p>				
<p>Additional VAT of £33,150 was payable to HMRC in respect of garage rent income from non council house tenants.</p>				
<p>Recharges out of the Housing Revenue Account were £324,000 less than anticipated reflecting, in part, the reduction in Central Support Services outlined above.</p>				