

HOUSING REVENUE ACCOUNT 2018/19
STATUTORY HRA OPERATING ACCOUNT
SUMMARY

2017/18 Actual £		2018/19 Original £	2018/19 Revised £	2018/19 Actual £
	<u>INCOME</u>			
(36,262,389)	Rent of Dwellings	(35,412,780)	(35,338,450)	(35,514,123)
(421,524)	Charges for Services & Facilities	(471,170)	(464,000)	(427,983)
(847,578)	Non-Dwelling Rents	(828,020)	(913,420)	(856,690)
(505,288)	Contributions towards Expenditure	(538,040)	(510,620)	(492,834)
(38,036,779)	Total Income	(37,250,010)	(37,226,490)	(37,291,630)
	<u>EXPENDITURE</u>			
5,308,054	Supervision and Management -General	6,256,030	6,142,420	5,524,938
2,085,815	Supervision and Management -Special	1,865,510	2,034,090	2,197,114
605,614	Rent, rates, taxes and other charges	441,400	294,530	280,345
8,074,883	Repairs and Maintenance	8,473,000	8,088,000	8,321,824
9,196,240	Depreciation, Impairment & Revaluation of Fixed Asset	8,034,760	9,180,920	9,132,873
47,153	Debt Management Expenses	47,790	45,340	45,224
2,173,000	Increase in Bad Debts Provision	2,833,020	1,093,480	(1,874,275)
27,490,759	Total Expenditure	27,951,510	26,878,780	23,628,043
(10,546,020)	NET COST OF SERVICES per Authority income & Expenditure Account	(9,298,500)	(10,347,710)	(13,663,587)
30,310	HRA share of Corporate & Democratic Core	32,700	39,100	38,940
(10,515,710)	NET COST OF HRA SERVICES	(9,265,800)	(10,308,610)	(13,624,647)
4,960,732	HRA share of interest payable, premiums & discounts	4,853,920	4,853,130	4,860,452
(74,544)	Interest and Investment Income	(65,180)	(78,330)	(120,949)
0	Share of DLO/DSO surplus	0	0	0
(5,629,522)	(SURPLUS)/DEFICIT IN YEAR on HRA Income & Expenditure	(4,477,060)	(5,533,810)	(8,885,144)
	STATEMENT of MOVEMENT on the HRA BALANCE			
	Increase/(decrease) in HRA balance comprising:			
(5,629,522)	Surplus or deficit on HRA Income & Expenditure Account	(4,477,060)	(5,533,810)	(8,885,144)
0	Capital Expenditure funded from HRA	5,303,110	8,358,300	3,323,762
(1,468)	Transfer to/(from) Reserves	0	0	(3,508)
2,015,379	Provision for Debt Repayment	1,985,150	1,985,150	1,985,148
1,175,476	Transfer to/(from) Major Repairs Reserve	2,749,000	1,603,000	1,760,211
(2,440,135)	(Increase)/decrease in HRA balance for the Year	5,560,200	6,412,640	(1,819,531)
(24,977,207)	HRA Balance Bfwd 1st April	(24,192,957)	(27,417,342)	(27,417,342)
0	Growth from Working Balance	0	0	0
(27,417,342)	HRA Balance Cfwd at 31st March	(18,632,757)	(21,004,702)	(29,236,873)

SUPERVISION AND MANAGEMENT EXPENSES

2017/18 Actual £		2018/19 Original £	2018/19 Revised £	2018/19 Actual £
<u>HOUSING SUPERVISION AND MANAGEMENT</u>				
<u>GENERAL EXPENSES</u>				
<u>Community Housing Department - Cost Centres 0600 to 0604, 0608/9, 0614/5, 0622 & 0960</u>				
2,660,894	Employee Expenses	2,947,760	2,740,870	2,776,143
486,331	Premises Related Expenses	584,520	571,770	502,998
34,906	Transport Related Expenses	41,300	38,510	32,656
397,884	Supplies and Services	561,060	793,060	442,982
109,668	Agency and Contracted Services	112,300	96,680	96,689
(204,512)	Controllable Income	(215,890)	(210,250)	(210,070)
3,485,171	Net Controllable	4,031,050	4,030,640	3,641,398
2,469,054	Central and Departmental Support	2,952,490	3,039,200	2,836,201
(646,171)	Recharge Income	(727,510)	(927,420)	(952,661)
5,308,054	NET	6,256,030	6,142,420	5,524,938
<u>Rent Collection - Cost Centre 0414</u>				
20,880	Employee Expenses	21,090	21,090	21,090
0	Transport Related Expenses	0	0	0
40,177	Supplies and Services	39,270	40,500	27,338
480,701	Agency and Contracted Services	491,540	496,990	496,979
(120,786)	Controllable Income	(11,410)	(9,790)	(8,084)
420,972	Net Controllable	540,490	548,790	537,323
235,807	Central and Departmental Support	241,010	257,030	255,351
(656,779)	Recharge Income	(781,500)	(805,820)	(792,674)
0	NET	0	0	0
5,308,054	TOTAL - GENERAL EXPENSES	6,256,030	6,142,420	5,524,938

HOUSING REVENUE ACCOUNT 2018/19
SUPERVISION AND MANAGEMENT EXPENSES (CONT'D)

2017/18 Actual £		2018/19 Original £	2018/19 Revised £	2018/19 Actual £
HOUSING SUPERVISION AND MANAGEMENT				
SPECIAL EXPENSES				
<u>Careline & Response - Cost Centres 0619/0620/0621/0631/0633/0634/0635</u>				
1,072,155	Employee Expenses	1,257,170	1,318,760	1,402,874
40,560	Premises Related Expenses	43,570	53,090	41,977
23,470	Transport Related Expenses	43,420	42,420	40,792
163,499	Supplies and Services	193,880	215,090	234,721
38,223	Agency and Contracted Services	35,120	35,120	35,500
(578,366)	Controllable Income	(1,091,380)	(1,019,560)	(903,322)
759,541	Net Controllable	481,780	644,920	852,542
59,998	Central & Departmental Support	66,090	75,160	73,236
0	Recharge Income	0	0	0
819,539	NET	547,870	720,080	925,778
<u>District/Group Heating Schemes - Cost Centres 0190, 0640-0643/0654-0659/0664-0669</u>				
56,769	Premises Related Expenses	83,000	71,760	73,284
1,232	Supplies and Services	2,300	1,280	1,069
0	Controllable Income	0	0	0
58,001	Net Controllable	85,300	73,040	74,353
5,070	Central & Departmental Support	5,260	2,790	2,790
(5,070)	Recharge Income	(5,260)	(2,790)	(2,790)
58,001	NET	85,300	73,040	74,353
<u>Maintenance of Grass Areas - Cost Centres 0605 & 0646</u>				
463,002	Premises Related Expenses	470,860	486,960	487,304
45,980	Agency and Contracted Services	46,550	46,550	46,620
21,897	Central & Departmental Support	23,630	21,750	21,964
(29,234)	Controllable Income	(17,500)	(3,100)	(1,949)
501,645	NET	523,540	552,160	553,939
<u>Common Rooms and Areas - Cost Centre 0650</u>				
35,630	Premises Related Expenses	39,070	36,440	32,028
0	Supplies and Services	0	0	0
5,876	Agency and Contracted Services	6,080	6,080	6,084
(10,443)	Controllable Income	(8,000)	(5,000)	(2,440)
31,063	NET	37,150	37,520	35,672
<u>Homelessness - Cost Centre 0660</u>				
214,052	Employee Expenses	196,790	142,220	139,596
0	Premises Related Expenses	0	0	0
1,631	Transport Related Expenses	1,600	1,950	1,636
39,966	Supplies and Services	100,480	100,420	64,786
11,781	Agency and Contracted Services	11,820	10,910	11,844
0	Transfer Payments	0	0	0
(74,229)	Controllable Income	(91,570)	(48,490)	(34,132)
193,201	Net Controllable	219,120	207,010	183,730
63,917	Central & Departmental Support	65,950	66,290	65,474
257,118	NET	285,070	273,300	249,204
<u>Other Community Services - Cost Centres 0670/0671/0675</u>				
206,019	Employee Expenses	201,620	194,390	202,826
183,371	Premises Related Expenses	152,640	152,850	124,027
26,503	Transport Related Expenses	24,570	24,420	27,306
1,607	Supplies and Services	3,250	4,500	1,289
(5,551)	Controllable Income	(1,900)	(5,650)	(4,220)
411,949	Net Controllable	380,180	370,510	351,228
6,500	Central & Departmental Support	6,400	7,480	6,940
418,449	NET	386,580	377,990	358,168
2,085,815	TOTAL - SPECIAL EXPENSES	1,865,510	2,034,090	2,197,114

HOUSING REVENUE ACCOUNT 2018/19

GENERAL FUND CONTRIBUTIONS

Cost Centres Detail 0371/0372/0373/0374/0375/0376/Summary 0695

2017/18 Actual £		2018/19 Original £	2018/19 Revised £	2018/19 Actual £
(257,118)	Homelessness	(285,070)	(273,300)	(249,204)
(165,660)	Maintenance of Grassed Areas	(168,100)	(167,760)	(172,100)
(8,000)	Social Services - Communal Area Use	(8,000)	(8,000)	(8,000)
(10,000)	Community Rooms-General Fund Use	(10,000)	(8,000)	(10,000)
(51,430)	Private Sector Initiatives	(53,530)	(53,560)	(53,530)
(13,080)	Careline Charge	(13,340)	0	0
(505,288)	NET	(538,040)	(510,620)	(492,834)

HOUSING REVENUE ACCOUNT ACTUALS 2018/19
STATUTORY HRA OPERATING ACCOUNT
SUMMARY SUBJECTIVE ANALYSIS

	Original £	2018/19 Revised £	Actual £
<u>EXPENDITURE</u>			
Employee Expenses	4,624,430	4,417,330	4,542,529
Premises Expenses	10,288,060	9,755,400	9,863,787
Transport Expenses	110,890	107,300	102,390
Supplies and Services	900,240	1,154,850	772,185
Agency Services	703,410	692,330	693,716
Bad Debts Provision	2,833,020	1,093,480	(1,874,275)
Central and Departmental Support	3,393,530	3,508,800	3,300,896
Capital Financing Costs	17,670,620	17,667,540	17,783,908
Direct Revenue Financing	5,303,110	8,358,300	3,323,762
	45,827,310	46,755,330	38,508,898
<u>INCOME</u>			
Supporting People Grant	(293,270)	(315,000)	(312,591)
Rent	(35,412,780)	(35,338,450)	(35,514,123)
Fees and Charges etc.	(2,443,570)	(2,364,260)	(2,136,299)
Recharges	(1,514,270)	(1,736,030)	(1,748,125)
Interest	(65,180)	(78,330)	(120,949)
Contribution to/from Reserves	0	0	(3,508)
General Fund Contribution	(538,040)	(510,620)	(492,834)
Transfer from OSD	0	0	0
	(40,267,110)	(40,342,690)	(40,328,429)
	5,560,200	6,412,640	(1,819,531)

HOUSING REVENUE ACCOUNT VARIANCE ANALYSIS

Programme Area / Service	Reason	Over/(Under) Spent £'000	Carry Fwd Requests £'000
Rent of Dwellings	Rent Income more than estimated	176	
Charges for Services & Facilities	Service Charge and other income lower than forecast.	(34)	
Non-dwelling rents etc	Mainly Income from solar panels lower than than forecast	(57)	
General Fund Contributions	Mainly due to reduction in Homelessness bed & breakfast costs	(18)	
INCOME		67	0
Supervision & Management - General and Special	Employers Superannuation costs higher than forecast (offset by pension adjustment included in CAC below)	223	
	Vacant posts	(97)	
	Underspend on previously approved growth on IT (Keystone)	(15)	15
	Underspend on IT budget (Northgate Leaseholder Module)	(2)	2
	Premises costs less than forecast on sheltered schemes and common rooms	(13)	
	Neighbourhood's Court Costs/Legal Fees lower than forecast	(18)	
	Reduction in CAC charges to offset increased superannuation charge above (£223k) offset by other increases (£15k)	(208)	
	No spend on approved growth for new It for mobile working for Asset Management Officers	(10)	10
	HRA Contribution to site surveys at Linacre	(35)	35
	Reduction in Homelessness bed & breakfast costs	(30)	
	Underspend on waste clearance by Neighbourhoods Team	(5)	
	Underspend on Transport	(5)	
	Underspend on Environmental Improvement Schemes	(56)	
	Underspend on Consultants, Professional & Survey Fees	(80)	
	Income on Careline & Response lower than forecast	(116)	
	Replacement of Allocations System delayed	(75)	75
Rent, Rates, Taxes	NNDR costs lower than anticipated	(14)	
Repairs and Maintenance	Increase in Responsive Repairs in 2nd half year	234	
Bad Debts Provision	Reduced Provision as bad debts lower than estimated	(2,968)	
Direct Revenue Financing	Reduced financing resulting from an under-spend of the capital programme.	(5,035)	
Capital Financing Costs	Change in depreciation costs	109	
Interest Received	More income than anticipated due to higher balance.	(43)	
Other Minor Variances	Net of all other variances	(40)	
EXPENDITURE		(8,299)	137
GRAND TOTAL		(8,232)	137

**HOUSING REVENUE ACCOUNT 2018/19
CARRY FORWARD REQUESTS**

Programme Area/Service	Budget Head	Reason	Amount (£)		C-fwd Request (£)
Community Housing	Information Technology	Unused Balance of previously Approved Growth for IT (Keystone).	Revised	29,740	15,230
			Actual Balance	14,510	
Community Housing	Information Technology	Underspend on IT budget - Northgate Leaseholder Module	Revised	18,250	2,250
			Actual Balance	16,000	
Community Housing	Information Technology	Replacement of Allocations System	Revised	80,000	74,890
			Actual Balance	5,110	
Community Housing	Supplies & Services	HRA Contribution to site surveys etc at Linacre	Revised	40,000	34,350
			Actual Balance	5,650	
Community Housing	Supplies & Services	Approved Growth for the provision of new IT for mobile working for Asset Management Officers	Revised	10,000	10,000
			Actual Balance	-	
		TOTAL CARRY FORWARD REQUESTS FOR APPROVAL.			136,720

Description	Out-turn 2018/19	2018/19 Budget	Overspend	Underspend	Comments/Reasons for Major Over/Underspends
			Against 2018/19 Bud	Against 2018/19 Bud	
Communal Lighting Replacement	0.00	25,000.00		25,000.00	Work at Heath Court not carried out
Fire Risk Works/Bin Stores	331,772.03	300,000.00	31,772.03		Agreed overspend to be compliant
Fire Risk Assessments	18,165.74	30,000.00		11,834.26	Works complete - saving
External Wall Insulation/PRC	2,730,667.21	2,450,000.00	280,667.21		SBS asked to continue with work until complete.
Windows	301,623.90	400,000.00		98,376.10	Commercial services asked to carry out some works - not done due to not being trained to fit
Structural Works	137,723.10	300,000.00		162,276.90	Extra works found throughout the year - work carried out following Kier reports at various schemes
Adaptations	526,326.14	500,000.00	26,326.14		Larger scheme added that wasn't planned for (£40k+)
Central Heating Replacement	637,888.85	580,800.00	57,088.85		
Door Renewals	82,026.03	87,200.00		5,173.97	
Common Room Refurbishment	48,094.33	30,000.00	18,094.33		Extra works required, discovered whilst on site
Communal Door Cameras/Systems	37,190.42	25,000.00	12,190.42		
Kitchens & Bathrooms	1,555,514.59	1,840,000.00		284,485.41	M&T contract sum £1m and OSD sum £500k
Sheltered Refurbishment	2,446,068.39	2,227,490.00	218,578.39		Additional works instructed
Rewiring, CO Retro Prog & Smoke Detector Repl	229,303.10	273,400.00		44,096.90	Commercial services issues with capacity - all addresses issued to meet budget but not completed
Roof Renewals incl Hanging Tiles	2,360,195.97	2,228,800.00	131,395.97		Budget based on previous average prices - costs have increased over past 12 months
Loft Insulation Top Ups	201,513.38	100,000.00	101,513.38		Commercial services charging 'repairs' SOR rates and working to property list rather than budget - to be agreed
DPC/Damp Works/Pointing	521,529.72	621,600.00		100,070.28	Some works incomplete (Hazelhurst)
Neighbourhood Action Plan - Barrow Hill	1,150,616.64	2,037,670.00		887,053.36	Tender for 2nd phase (June) will determine how much required.
Markham Court Community Room Demolition	12,444.58	13,250.00		805.42	
Stairlift Replacement	15,925.20	21,220.00		5,294.80	
Footpath - Proactive Maintenance	178,415.92	170,000.00	8,415.92		
Asbestos Removal Works	19,553.00	25,000.00		5,447.00	
Asbestos Management/R&D Surveys	192,237.15	210,000.00		17,762.85	Works complete - saving
Sky+ Conversion	(56,702.00)	0.00		56,702.00	Provision for possible contractor claim not required.
Estate Environmental	1,379,978.41	2,205,350.00		825,371.59	Some works still to complete on site (June)
Grangewood Estate Improvements	235,824.59	1,200,000.00		964,175.41	Work carried out over 18 month period.
Blocks External Works	68,176.82	98,200.00		30,023.18	Works issued complete
Fences, Gates, Footpaths & Drives	187,195.72	200,000.00		12,804.28	
Garage Site Improvements	92,697.34	282,000.00		189,302.66	Works issued to commercial services but not complete
Demolition of Former Careline Offices	784.85	0.00	784.85		
Internal Soil Stacks	121,275.00	100,000.00	21,275.00		
HRA Property Acquisitions	247,000.00	250,000.00		3,000.00	
Chiswick, Ealing & Duewell Demolition	65,378.50	60,000.00	5,378.50		
Heaton Court Demolition	3,781.96	0.00	3,781.96		
Rufford Close New Build	690,170.73	418,320.00	271,850.73		Various issues
Rufford Close Remedial Works	0.00	100,000.00		100,000.00	Works yet to commence on site
Manor Drive New Build	25,100.64	335,000.00		309,899.36	Works yet to commence on site
Brockwell Court New Build	57,936.08	2,400,000.00		2,342,063.92	Works yet to commence on site
Heaton Court New Build	750,513.17	1,000,000.00		249,486.83	Works carried out over 18 months
New Build Feasibility	23,386.86	64,000.00		40,613.14	Budget for investigation work prior to design/construction at various sites - currently procuring
Sheltered Scheme Decants	55,826.39	40,000.00	15,826.39		
Total All Schemes	17,683,120.45	23,249,300.00	1,204,940.07	6,771,119.62	
Net Position - (UNDER)/OVER-SPEND			(5,566,179.55)		