

# HOUSING REVENUE ACCOUNT

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## DEPARTMENT MISSION STATEMENT

The Housing service aims to work towards the Council's Vision:

To create a place which is safer, healthier, more prosperous and sustainable – a place where people choose to live, work, visit and socialise, and which is addressing the needs of the future.

## KEY SERVICE TARGETS / PRIORITIES FOR 2007/8

Croydon's Housing Strategy sets out the following key priorities (funded both from the General Fund and the Housing Revenue Account) :-

- 1) Maximise the supply of affordable housing, meet housing need and reduce the number of households in temporary accommodation
- 2) Promote independent living for vulnerable people
- 3) Improve housing conditions to ensure a decent home for all and meet the Decent Homes Standard for council housing
- 4) Promote better and fair access to housing services
- 5) Develop sustainable communities and support neighbourhood renewal

## KEY VOLUME INDICATORS

DESCRIPTION	ACTUAL 2006/7	ORIGINAL 2007/8	FORECAST 2007/8	FORECAST 2008/9	% CHANGE
Total Housing stock (properties) April 1 including <u>Sheltered and Special Sheltered Housing</u>	14,163	<b>14,123</b>	14,106	<b>14,044</b>	(0)
Sheltered Housing for the Elderly (flats)	1,042	<b>1,042</b>	1,042	1,042	-
Special Sheltered Housing (flats)	258	<b>258</b>	258	258	-
Homes meeting the government's decent home standard	85%	<b>88%</b>	88%	<b>92%</b>	5
					n/a
Average sick days per FTE	7.5	<b>7.00</b>	7.00	<b>6.50</b>	

## FINANCIAL PERFORMANCE

DESCRIPTION	ACTUAL 2006/7 £000	ORIGINAL 2007/8 £000	FORECAST 2007/8 £000	BUDGET 2008/9 £000	% CHANGE
Employees	12,259	12,257	12,257	<b>12,965</b>	6
Capital Charges	13,554	5,428	5,428	<b>5,499</b>	1
Deferred/Intangible Charges	-	-	-	-	n/a
Premises related expenditure	20,200	30,617	30,617	<b>30,802</b>	1
Supplies and Services	(2,857)	3,386	3,386	<b>3,376</b>	(0)
Third Party Payments	12,278	14,623	14,623	<b>16,835</b>	15
Transfer Payments	113	188	188	<b>119</b>	(37)
Transport related expenditure	313	238	238	<b>238</b>	-
Corporate support services bought in	3,415	4,113	4,113	<b>3,651</b>	(11)
Recharges (to) / from other services	(1,832)	(3,356)	(3,356)	(3,364)	0
<b>TOTAL EXPENDITURE</b>	<b>57,442</b>	<b>67,494</b>	<b>67,494</b>	<b>70,122</b>	<b>4</b>
Government Grants	-	-	-	-	n/a
Other Grants, reimbursements and contributions	-	(9)	(9)	(9)	-
Fees and Charges	(2,180)	(8,143)	(8,143)	<b>(8,139)</b>	(0)
Other Customer and Client Receipts	(56,271)	(59,688)	(59,688)	<b>(61,228)</b>	3
Interest Receivable	(214)	(814)	(814)	<b>(1,038)</b>	28
<b>TOTAL INCOME</b>	<b>(58,666)</b>	<b>(68,654)</b>	<b>(68,654)</b>	<b>(70,414)</b>	<b>3</b>
<b>NET EXPENDITURE</b>	<b>(1,224)</b>	<b>(1,160)</b>	<b>(1,160)</b>	<b>(292)</b>	<b>(75)</b>
Contributions to / (from) Reserves	1,224	1,160	1,160	<b>483</b>	(58)
<b>TOTAL VARIANCE FROM BUDGET- Over/(Under)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## TOP FINANCIAL RISKS 2007/8

- 1) Increased demand for responsive repairs (est. £500k)
- 2) Increased cost of Programmed Works (est. £500k)
- 3) Non achievement of staff turnover allowance (est. £100k)

The above risks will be closely monitored and managed to minimise impact.

CABINET MEMBER

Councillor Dudley Mead

Housing

## DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Mike Davis	Director of Housing	62721
Dave Sutherland	Divisional Director - Housing Management Services	64957
Alan Matthews	Divisional Director - Needs and Resources	62717
Peter Brown	Divisional Director - Finance and Investment	65474
Shayne Coulter	Divisional Director - Private Sector Housing	65631
Graham Owen	Divisional Director - Strategy and Service Improvement	62086

## MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2007/8 £000's	SERVICE	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
12,332	Repairs and Maintenance	12,332	-	10	12,342	0
13,246	Supervision and Management-General	13,246	658	(583)	13,321	1
6,307	Supervision and Management-Special	6,307	220	123	6,650	5
15,763	Capital Financing	15,763	-	49	15,812	0
(62,625)	Income	(62,625)	-	(1,822)	(64,447)	3
13,817	Notional H.R.A and Government Grant	13,817	-	2,212	16,029	16
(1,160)	<b>TOTAL NET SPEND</b>	(1,160)	878	(10)	(292)	(75)
1,160	Contributions to / (from) Reserves	1,160	0	(677)	483	(58)

## STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE STAFF
Supervision and Management - General Expenses	280.1	270.8	(9.3)
Supervision and Management - Special Expenses	91.0	91.0	-
<b>TOTAL FTE STAFF</b>	371.1	361.8	(9.3)

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
12,257	Employees	12,257	833	(125)	12,965	6
30,617	Premises related expenditure	30,617	42	144	30,802	1
3,386	Supplies and Services	3,386	3	(13)	3,376	(0)
14,623	Third Party Payments	14,623	-	2,212	16,835	15
188	Transfer Payments	188	-	(69)	119	(37)
238	Transport related expenditure	238	-	-	238	-
(3,356)	Recharges from other Departments	(3,356)	-	(8)	(3,364)	0
57,953	<b>TOTAL EXPENDITURE</b>	57,953	878	2,141	60,972	5
-	Government Grants	-	-	-	-	n/a
(9)	Other Grants, reimbursements and contributions	(9)	-	-	(9)	-
(8,143)	Fees and Charges	(8,143)	-	4	(8,139)	(0)
(59,688)	Other Customer and Client Receipts	(59,688)	-	(1,540)	(61,228)	3
(814)	Interest Receivable	(814)	-	(224)	(1,038)	28
-	Recharges to other Departments	-	-	-	-	n/a
(68,654)	<b>TOTAL INCOME</b>	(68,654)	-	(1,760)	(70,414)	3
(10,701)	<b>NET CONTROLLABLE COST</b>	(10,701)	878	381	(9,442)	(12)
5,428	Capital Charges	5,428	-	71	5,499	1
-	Deferred/Intangible Charges	-	-	-	-	n/a
4,113	Corporate support services bought in	4,113	-	(462)	3,651	(11)
9,541	<b>TOTAL UNCONTROLLABLE COST</b>	9,541	-	(391)	9,150	(4)
(1,160)	<b>NET COST OF SERVICE</b>	(1,160)	878	(10)	(292)	(75)
1,160	Contributions to / (from) Earmarked Reserves	1,160	-	(677)	483	(58)
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
1,160	<b>TOTAL APPROPRIATIONS</b>	1,160	-	(677)	483	(58)
-	<b>TOTAL NET EXPENDITURE</b>	-	878	(687)	191	n/a
<b>* OTHER VARIATIONS IN LEVEL OF EXPENDITURE</b>						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						(462)
Other resource changes						(462)
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>						<b>(687)</b>

**HOUSING REVENUE ACCOUNT**

**REPAIRS AND MAINTENANCE**

**SERVICE DESCRIPTION**

This service provides responsive repairs and cyclical maintenance to the Council's housing stock. The service responds to around 61,000 repair requests on average each year and also includes all work to an average of about 1,100 void properties. The repairs service is delivered through two long term partnering contracts.

The total planned expenditure on revenue and capital repairs within the H.R.A. is £33.9m.

**MOVEMENT IN NET EXPENDITURE**

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Responsive Repairs	11,400		10	11,410	0
Cyclical Works	932			932	-
<b>TOTAL NET SPEND</b>	12,332	-	10	12,342	0

**STAFF ESTABLISHMENT NUMBERS**

	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE STAFF
			-
<b>TOTAL FTE STAFF</b>	-	-	-

## HOUSING REVENUE ACCOUNT

## REPAIRS AND MAINTENANCE

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
11,942	Employees	-			-	n/a
390	Premises related expenditure	11,942			11,942	-
	Supplies and Services	390		10	400	3
	Third Party Payments	-			-	n/a
	Transfer Payments	-			-	n/a
	Transport related expenditure	-			-	n/a
	Recharges from other departments	-			-	n/a
12,332	<b>TOTAL EXPENDITURE</b>	12,332	-	10	12,342	0
	Government Grants	-			-	n/a
	Other Grants, reimbursements and contributions	-			-	n/a
	Fees and Charges	-			-	n/a
	Other Customer and Client Receipts	-			-	n/a
	Interest Receivable	-			-	n/a
	Recharges to other departments	-			-	n/a
-	<b>TOTAL INCOME</b>	-	-	-	-	n/a

12,332	<b>NET CONTROLLABLE COST</b>	12,332	-	10	12,342	0
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	Capital Charges	-			-	n/a
	Deferred/Intangible Charges	-			-	n/a
	Corporate support services bought in	-			-	n/a
-	<b>TOTAL UNCONTROLLABLE COST</b>	-	-	-	-	n/a

12,332	<b>NET COST OF SERVICE</b>	12,332	-	10	12,342	0
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	Contributions to / (from) Earmarked Reserves	-			-	n/a
	Contributions to / (from) Capital Reserves:	-			-	n/a
	Financing of Capital Expenditure	-			-	n/a
	Provision for Repayment of External Loans	-			-	n/a
	Contribution to / (from) General Balances	-			-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

12,332	<b>TOTAL NET EXPENDITURE</b>	12,332	-	10	12,342	0
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

			£000's
<u>Strategic budget - agreed pressures / service demands</u>	<u>Ref.</u>		-
<u>Strategic budget - agreed additional income / savings</u>	<u>Ref.</u>		-
<u>Other resource changes</u>	<u>Ref.</u>		10
Increase in graffiti removal charges			10
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>			<b>10</b>

## SERVICE DESCRIPTION

This part of the Housing Revenue Account budget includes those costs that relate to the general management of the landlord service together with the administration of tenancy applications, rent collection and accounting.

## MOVEMENT IN NET EXPENDITURE

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Supervision and management - General expenses	13,245	658	(583)	13,320	1
<b>TOTAL NET SPEND</b>	13,245	658	(583)	13,320	1

## STAFF ESTABLISHMENT NUMBERS

	ORIGINAL BUDGET 2006/7 FTE STAFF	ORIGINAL BUDGET 2007/8 FTE STAFF	CHANGE IN FTE FTE STAFF
Supervision and management - General expenses	280.1	270.8	(9.3)
<b>TOTAL FTE STAFF</b>	280.1	270.8	(9.3)

## HOUSING REVENUE ACCOUNT

SUPERVISION AND MANAGEMENT -  
GENERAL EXPENSES

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
9,695	Employees	9,695	658	(125)	10,228	5
746	Premises related expenditure	746		35	781	5
2,127	Supplies and Services	2,127		(5)	2,122	(0)
503	Third Party Payments	503	-		503	-
	Transfer Payments	-			-	n/a
124	Transport related expenditure	124	-		124	-
(3,480)	Recharges from other departments	(3,480)		(27)	(3,507)	1
9,715	<b>TOTAL EXPENDITURE</b>	9,715	658	(122)	10,250	6
	Government Grants	-			-	n/a
	Other Grants, reimbursements and contributions	-			-	n/a
(28)	Fees and Charges	(28)			(28)	-
(154)	Other Customer and Client Receipts	(154)			(154)	-
	Interest Receivable	-			-	n/a
	Recharges to other departments	-			-	n/a
(182)	<b>TOTAL INCOME</b>	(182)	-	-	(182)	-

9,533	<b>NET CONTROLLABLE COST</b>	9,533	658	(122)	10,068	6
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	Capital Charges	-			-	n/a
	Deferred/Intangible Charges	-			-	n/a
3,713	Corporate support services bought in	3,713		(460)	3,253	(12)
3,713	<b>TOTAL UNCONTROLLABLE COST</b>	3,713	-	(460)	3,253	(12)

13,246	<b>NET COST OF SERVICE</b>	13,246	658	(583)	13,321	1
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	Contributions to / (from) Earmarked Reserves	-			-	n/a
	Contributions to / (from) Capital Reserves:	-			-	n/a
	Financing of Capital Expenditure	-			-	n/a
	Provision for Repayment of External Loans	-			-	n/a
	Contribution to / (from) General Balances	-			-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

13,246	<b>TOTAL NET EXPENDITURE</b>	13,246	658	(583)	13,321	1
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

	£000's
<u>Strategic budget - agreed pressures / service demands</u>	Ref.
	-
<u>Strategic budget - agreed additional income / savings</u>	Ref.
Reduction in corporate recharges	(460)
	(460)
<u>Other resource changes</u>	Ref.
Savings on staff costs due to reorganisations	(125)
Savings on Data storage costs	(5)
Reduction in rent collection charge	(27)
Increase in insurance costs	35
	(123)
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>	<b>(583)</b>

**HOUSING REVENUE ACCOUNT**

**SUPERVISION AND MANAGEMENT -  
SPECIAL EXPENSES**

**SERVICE DESCRIPTION**

This part of the Housing Revenue Account includes any expenditure which relates only to specific estates rather than the general housing stock. This includes services such as Caretaking, Neighbourhood Wardens and grounds maintenance.

The income from the charges made for central heating is credited directly to income and the full cost of the standard space water heating provided will be recovered from tenants.

There is a service charge for the following services:-

Caretaking - £3.47  
Grounds Maintenance - £1.32

**MOVEMENT IN NET EXPENDITURE**

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
		Utility charges	1,013		
Communal services	83	2		85	2
Horticultural Services	685	18		703	3
Sheltered Housing services	344			344	-
Neighbourhood Services	4,183	200	71	4,454	6
<b>TOTAL NET SPEND</b>	<b>6,308</b>	<b>220</b>	<b>123</b>	<b>6,651</b>	<b>5</b>

**STAFF ESTABLISHMENT NUMBERS**

	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE FTE STAFF
Neighbourhood Services	91.0	91.0	-
<b>TOTAL FTE STAFF</b>	<b>91.0</b>	<b>91.0</b>	<b>-</b>

**HOUSING REVENUE ACCOUNT**

**SUPERVISION AND MANAGEMENT -  
SPECIAL EXPENSES**

**SUBJECTIVE SUMMARY**

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,562	Employees	2,562	175	-	2,737	7
6,303	Premises related expenditure	6,303	42	336	6,680	6
353	Supplies and Services	353	3	(18)	338	(4)
303	Third Party Payments	303			303	-
4	Transfer Payments	4			4	-
114	Transport related expenditure	114			114	-
124	Recharges from other departments	124			124	-
9,763	<b>TOTAL EXPENDITURE</b>	9,763	220	318	10,300	6
	Government Grants	-			-	n/a
	Other Grants, reimbursements and contributions	-			-	n/a
(3,856)	Fees and Charges	(3,856)		(193)	(4,049)	5
	Other Customer and Client Receipts	-			-	n/a
	Interest Receivable	-			-	n/a
	Recharges to other departments	-			-	n/a
(3,856)	<b>TOTAL INCOME</b>	(3,856)	-	(193)	(4,049)	5

5,907	<b>NET CONTROLLABLE COST</b>	5,907	220	125	6,252	6
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	Capital Charges	-			-	n/a
	Deferred/Intangible Charges	-			-	n/a
400	Corporate support services bought in	400		(2)	398	(0)
400	<b>TOTAL UNCONTROLLABLE COST</b>	400	-	(2)	398	(0)

6,307	<b>NET COST OF SERVICE</b>	6,307	220	123	6,650	5
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	Contributions to / (from) Earmarked Reserves	-			-	n/a
	Contributions to / (from) Capital Reserves:	-			-	n/a
	Financing of Capital Expenditure	-			-	n/a
	Provision for Repayment of External Loans	-			-	n/a
	Contribution to / (from) General Balances	-			-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

6,307	<b>TOTAL NET EXPENDITURE</b>	6,307	220	123	6,650	5
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**\* OTHER VARIATIONS IN LEVEL OF EXPENDITURE**

		£000's
<u>Strategic budget - agreed pressures / service demands</u>		
	Ref.	-
<u>Strategic budget - agreed additional income / savings</u>		
	Ref.	(2)
Reduction in corporate recharges		(2)
<u>Other resource changes</u>		
	Ref.	336
Increase in utility and cleansing charges		(193)
Increase in income from utility charges		(18)
Reduction in car removal and protective clothing costs		
		125
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>		<b>123</b>

**SERVICE DESCRIPTION**

Capital Financing includes the interest charges for the payment of interest on loans taken out to acquire or refurbish Housing Revenue Account assets, such as council housing, and also includes a charge for debt management.

The Major Repairs Allowance is used to finance the improvements of the housing stock.

**MOVEMENT IN NET EXPENDITURE**

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Major Repairs Allowance	10,335		(22)	10,313	(0)
Interest Charges	2,918		58	2,976	2
Debt Management Expenses	50		1	51	2
Premium	618		12	630	2
Discount	(21)		-	(21)	-
Financing of Capital Expenditure	1,864		-	1,864	-
<b>TOTAL NET SPEND</b>	15,764	-	49	15,813	0

**STAFF ESTABLISHMENT NUMBERS**

	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE FTE STAFF
			-
<b>TOTAL FTE STAFF</b>	-	-	-

**HOUSING REVENUE ACCOUNT**

**CAPITAL FINANCING**

**SUBJECTIVE SUMMARY**

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
10,335	Employees	-			-	n/a
	Premises related expenditure	10,335		(22)	10,313	(0)
	Supplies and Services	-			-	n/a
	Third Party Payments	-			-	n/a
	Transfer Payments	-			-	n/a
	Transport related expenditure	-			-	n/a
	Recharges from other departments	-			-	n/a
10,335	<b>TOTAL EXPENDITURE</b>	10,335	-	(22)	10,313	(0)
	Government Grants	-			-	n/a
	Other Grants, reimbursements and contributions	-			-	n/a
	Fees and Charges	-			-	n/a
	Other Customer and Client Receipts	-			-	n/a
	Interest Receivable	-			-	n/a
	Recharges to other departments	-			-	n/a
-	<b>TOTAL INCOME</b>	-	-	-	-	n/a

10,335	<b>NET CONTROLLABLE COST</b>	10,335	-	(22)	10,313	(0)
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5,428	Capital Charges	5,428		71	5,499	1
	Deferred/Intangible Charges	-			-	n/a
	Corporate support services bought in	-			-	n/a
5,428	<b>TOTAL UNCONTROLLABLE COST</b>	5,428	-	71	5,499	1

15,763	<b>NET COST OF SERVICE</b>	15,763	-	49	15,812	0
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	Contributions to / (from) Earmarked Reserves	-		-	-	n/a
	Contributions to / (from) Capital Reserves:	-		-	-	n/a
	Financing of Capital Expenditure	-		-	-	n/a
	Provision for Repayment of External Loans	-		-	-	n/a
	Contribution to / (from) General Balances	-		-	-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

15,763	<b>TOTAL NET EXPENDITURE</b>	15,763	-	49	15,812	0
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* OTHER VARIATIONS IN LEVEL OF EXPENDITURE		£000's
Strategic budget - agreed pressures / service demands	Ref.	
		-
Strategic budget - agreed additional income / savings	Ref.	
		-
Other resource changes	Ref.	
Decrease in Major Repairs Allowance		(22)
Increase in Interest Charges		59
Increase in Financing of Capital Expenditure		12
		49
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>		<b>49</b>

## SERVICE DESCRIPTION

Income to the Housing Revenue Account derives from six main sources:

- 1) Rental income due from the letting of dwellings and garages met by tenants and direct credits for rent rebates.
- 2) Service charges to tenants for caretaking and grounds maintenance.
- 3) Recharges of energy costs from communal heating schemes.
- 4) Mortgage interest payments due on mortgages granted upon the sale of Council houses.
- 5) Interest receivable on the HRA's average monthly cash balance.
- 6) Service charges to Leaseholders

Average Dwelling Rent (50 weeks)	Average Service Charge (Caretaking and Grounds Maintenance)	Mortgage Interest Rates
1999-00 £67.30		01.05.96 8.16%
2000-01 £68.46		01.12.97 8.41%
2001-02 £68.31		01.01.99 8.57%
2002-03 £68.83		01.03.99 7.82%
2003-04 £68.14	£2.35	01.07.01 7.54%
2004-05 £70.63	£2.42	01.11.02 7.31%
2005-06 £73.30	£2.59	01.10.04 6.51%
2006-07 £76.63	£2.66	01.11.05 5.28%
2007-08 £80.75	£2.77	01.10.06 5.07%
2008-09 £84.77	£2.86	01.07.07 6.89%

## MOVEMENT IN NET EXPENDITURE

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Dwellings Rents and Service Charges	(59,269)		(1,555)	(60,824)	3
Doubtful Debt Provision	500		-	500	-
Garages	(1,082)		(14)	(1,096)	1
Heating and insurance	(435)		(11)	(446)	3
Interest	(230)		(200)	(430)	87
Service Charges - Leaseholders	(1,400)		-	(1,400)	-
Other Income	(709)		(42)	(751)	6
Contributions to / (from) Earmarked Reserves	1,160		(677)	483	(58)
<b>TOTAL NET SPEND</b>	<b>(61,465)</b>	<b>0</b>	<b>(2,499)</b>	<b>(63,964)</b>	<b>4</b>

## STAFF ESTABLISHMENT NUMBERS

	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE FTE STAFF
<b>TOTAL FTE STAFF</b>	-	-	-

**HOUSING REVENUE ACCOUNT**

**INCOME**

**SUBJECTIVE SUMMARY**

FORECAST 2007/8  £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
	Employees	-			-	n/a
1,291	Premises related expenditure	1,291		(205)	1,086	(16)
516	Supplies and Services	516			516	-
	Third Party Payments	-			-	n/a
184	Transfer Payments	184		(69)	115	(37)
	Transport related expenditure	-			-	n/a
	Recharges from other departments	-		19	19	n/a
1,991	<b>TOTAL EXPENDITURE</b>	1,991	-	(254)	1,737	(13)
	Government Grants	-			-	n/a
(9)	Other Grants, reimbursements and contributions	(9)			(9)	-
(4,259)	Fees and Charges	(4,259)		197	(4,062)	(5)
(59,534)	Other Customer and Client Receipts	(59,534)		(1,540)	(61,074)	3
(814)	Interest Receivable	(814)		(224)	(1,038)	28
	Recharges to other departments	-			-	n/a
(64,616)	<b>TOTAL INCOME</b>	(64,616)	-	(1,567)	(66,184)	2
(62,625)	<b>NET CONTROLLABLE COST</b>	(62,625)	-	(1,822)	(64,447)	3
	Capital Charges	-			-	n/a
	Deferred/Intangible Charges	-			-	n/a
	Corporate support services bought in	-			-	n/a
-	<b>TOTAL UNCONTROLLABLE COST</b>	-	-	-	-	n/a
(62,625)	<b>NET COST OF SERVICE</b>	(62,625)	-	(1,822)	(64,447)	3
1,160	Contributions to / (from) Earmarked Reserves	1,160		(677)	483	(58)
	Contributions to / (from) Capital Reserves:	-			-	n/a
	Financing of Capital Expenditure	-			-	n/a
	Provision for Repayment of External Loans	-			-	n/a
	Contribution to / (from) General Balances	-			-	n/a
1,160	<b>TOTAL APPROPRIATIONS</b>	1,160	-	(677)	483	(58)
(61,465)	<b>TOTAL NET EXPENDITURE</b>	(61,465)	-	(2,499)	(63,964)	4
<b>* OTHER VARIATIONS IN LEVEL OF EXPENDITURE</b>						£000's
<u>Strategic budget - agreed pressures / service demands</u>						Ref.
						-
<u>Strategic budget - agreed additional income / savings</u>						Ref.
						-
<u>Other resource changes</u>						Ref.
Reduction in the number to tenants taking out content insurance						(205)
Reduction in rent allowances						(69)
Increases in recharges from other Departments						19
Reduction in fees and charges income partly due to reduction in tenants taking out content insurance						197
Increase in rental income						(1,540)
Increase in interest received on balances						(224)
Contribution to reserves						(677)
						(2,499)
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>						<b>(2,499)</b>

**HOUSING REVENUE ACCOUNT**

**NOTIONAL H.R.A AND GOVERNMENT GRANT**

**SERVICE DESCRIPTION**

Housing Revenue Account Government Grant was introduced on 1st April 1990. It is based upon a Notional Housing Revenue Account. Since 1 April 2004 Rent Rebates have been accounted for in the General Fund and the surplus of £15.836m is repaid to the Government.

Notional account for the calculation of the payment to the Government is on the table below. The figures in brackets are the allowances due to the Council offset by the notional income shown as positives.

**MOVEMENT IN NET EXPENDITURE**

	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
		Inflation (B) £000's	Other (C) £000's		
Notional Management and Maintenance Allowances	(24,929)		(535)	(25,464)	2
Major Repairs Allowance	(10,335)		22	(10,313)	(0)
Capital asset charges	(5,191)		(297)	(5,488)	6
Admissible Allowance	-			0	n/a
Notional Guideline Rent	54,349		2,723	57,072	5
Interest on Rent to buy mortgages	31		(2)	29	(6)
Rental Constraint Allowance	(108)		108	0	(100)
<b>TOTAL NET SPEND</b>	13,817	-	2,019	15,836	15

**STAFF ESTABLISHMENT NUMBERS**

	ORIGINAL BUDGET 2007/8 FTE STAFF	ORIGINAL BUDGET 2008/9 FTE STAFF	CHANGE IN FTE STAFF
<b>TOTAL FTE STAFF</b>	-	-	-

## HOUSING REVENUE ACCOUNT

## NOTIONAL H.R.A AND GOVERNMENT GRANT

## SUBJECTIVE SUMMARY

FORECAST 2007/8 £000's	DESCRIPTION	ORIGINAL BUDGET 2007/8 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2008/9 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
	Employees				-	n/a
	Premises related expenditure				-	n/a
	Supplies and Services				-	n/a
13,817	Third Party Payments	13,817		2,212	16,029	16
	Transfer Payments				-	n/a
	Transport related expenditure				-	n/a
	Recharges from other departments				-	n/a
13,817	<b>TOTAL EXPENDITURE</b>	13,817	-	2,212	16,029	16
	Government Grants				-	n/a
	Other Grants, reimbursements and contributions				-	n/a
	Fees and Charges				-	n/a
	Other Customer and Client Receipts				-	n/a
	Interest Receivable				-	n/a
	Recharges to other departments				-	n/a
-	<b>TOTAL INCOME</b>	-	-	-	-	n/a

13,817	<b>NET CONTROLLABLE COST</b>	13,817	-	2,212	16,029	16
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	Capital Charges				-	n/a
	Deferred/Intangible Charges				-	n/a
	Corporate support services bought in				-	n/a
-	<b>TOTAL UNCONTROLLABLE COST</b>	-	-	-	-	n/a

13,817	<b>NET COST OF SERVICE</b>	13,817	-	2,212	16,029	16
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	Contributions to / (from) Earmarked Reserves				-	n/a
	Contributions to / (from) Capital Reserves:				-	n/a
	Financing of Capital Expenditure				-	n/a
	Provision for Repayment of External Loans				-	n/a
	Contribution to / (from) General Balances				-	n/a
-	<b>TOTAL APPROPRIATIONS</b>	-	-	-	-	n/a

13,817	<b>TOTAL NET EXPENDITURE</b>	13,817	-	2,212	16,029	16
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## \* OTHER VARIATIONS IN LEVEL OF EXPENDITURE

		£000's
<u>Strategic budget - agreed pressures / service demands</u>	<u>Ref.</u>	
		-
<u>Strategic budget - agreed additional income / savings</u>	<u>Ref.</u>	
		-
<u>Other resource changes</u>	<u>Ref.</u>	
Increase in Notional Management and Maintenance Allowances		(533)
Decrease in Major Repairs Allowance		22
Increase in Capital Asset Charges		(104)
Increase in Notional Guideline Rent		2,723
Decrease in Mortgage Interest		(3)
Removal of Rental Constraint Allowance Admissible Allowance (applicable only in 2007-08)		108
		2,212
<b>TOTAL OTHER VARIATIONS IN RESOURCE</b>		<b>2,212</b>