

EXETER CITY COUNCIL
SCRUTINY COMMITTEE - COMMUNITY
2 SEPTEMBER 2008

HOUSING REVENUE ACCOUNT
STEWARDSHIP TO JUNE 2008

1. PURPOSE OF REPORT

- 1.1 To advise Members of any major differences by management unit to the outturn forecast for the first three months of the financial year up to 30 June 2008.

2. STEWARDSHIP TO 30 JUNE 2008

- 2.1 During this period the total of the variances indicate that there will be a net surplus of £127,010, of which £27,010 will be transferred to the working balance at 31 March 2009 and £100,000 will be used to increase the Revenue Contributions to Capital works. It is estimated that the working balance will increase to £2,875,601.

The main variations by management unit are detailed below: £

2008-2009 ESTIMATED TRANSFER TO THE WORKING BALANCE 0

5A1 MANAGEMENT

There are saving on salaries due to various vacant posts (75,140)
between April and June, the Housing Manager post was vacant
until 1 July 2008. This has been partly offset by agency staff
costs.

The expected increase in utility costs has been reflected in the
figures, and costs in respect of tenants removal and legal
expenses are expected to exceed the budget.

Transport costs are also expected to exceed the budget due to
essential user lump sum now being assigned to various posts.
There is a reduction in the costs that can be offset against the
capital receipts pooling as a result of the reduction in Right To
Buy sales.

There is additional Supporting People Grant income in respect
of sheltered accommodation back dated to April 2003; this is
due to previous changes of tenancies.

5A4 REPAIRS FUND CONTRIBUTION 100,000

The additional income from the Supporting People Grant and
the increase in rents receivable, as a result of the continued
reduction in Right to Buy sales, has enabled an increase in the
Revenue Contributions to Capital works associated with
achieving the Decent Homes Standard and required fire risk
works on sheltered accommodation.

5A6 CAPITAL CHARGES

Additional costs have been incurred in respect of the 7.130
redemption of a finance lease

5A8 RENTS

A reduction in the number of Right To Buy sales has resulted in an increase in the rent collectable. (61,000)

5B2 INTEREST

It is estimated that there will be a reduction in the mortgage interest as a result of additional early redemptions in respect of mortgage debt. 2,000

2008-2009 FIRST QUARTER FORECAST INCREASE IN WORKING BALANCE (£27,010)

3. ACTION PLAN

3.1 The budgets, for recoverable staffing costs in respect of Right To Buy administration will be further reduced to reflect the estimated reduction in RTB sales in 2009/10.

4. RECOMMENDED

That Scrutiny Committee – Community note this report.

DIRECTOR CORPORATE SERVICES

DIRECTOR COMMUNITY AND ENVIRONMENT

CORPORATE SERVICES DIRECTORATE COMMUNITY AND ENVIRONMENT DIRECTORATE

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report:

None