

**EXETER CITY COUNCIL**  
**SCRUTINY COMMITTEE - COMMUNITY**  
**10 MARCH 2008**

**HOUSING REVENUE ACCOUNT**  
**STEWARDSHIP TO DECEMBER 2008**

**1. PURPOSE OF REPORT**

1.1 To advise Members of any major differences by management unit to the outturn forecast for the first nine months of the financial year up to 31 December 2008.

**2. STEWARDSHIP TO 30 DECEMBER 2008**

2.1 During this period the total of the variances indicate that there will be a net surplus of £25,290 and this will be used to increase the Revenue Contributions to Capital works. It is estimated that the working balance will remain at £2,848,591 at 31 March 2009.

2.2 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 between April and June, the Housing Operations Manager post was vacant until 1 July 2008. This has been partly offset by agency staff costs covering sickness and short term vacancies. (720)

The expected increase in utility costs has been reflected in the figures, and costs in respect of tenants' removal and legal expenses; tenant participation; and equipment tools and materials 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**

The overall savings from HRA services has enabled an increase in the Revenue Contributions to Capital works associated with achieving the Decent Homes Standard and fire risk works required on sheltered accommodation 25,290

<b>85A6 CAPITAL CHARGES</b>	7.130
Additional costs have been incurred in respect of the redemption of a finance lease	
<b>85B1 GOVERNMENT SUBSIDY</b>	(9,700)
There has been a small reduction in the HRA Subsidy payment for 2008/09.	
<b>85B2 INTEREST</b>	(22,000)
There is an increase in investment interest as a result of the performance of the investment fund manager. 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.	
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<b>2008-2009 SECOND QUARTER FORECAST INCREASE IN WORKING BALANCE</b>	0
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**3. ACTION PLAN**

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 the Scrutiny Committee – Community note this report.

DIRECTOR CORPORATE SERVICES  
DIRECTOR COMMUNITY AND ENVIRONMENT

S:PA/LP/ Committee/309SCC13  
24.2.09

CORPORATE SERVICES DIRECTORATE  
COMMUNITY & ENVIRONMENT DIRECTORATE

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

1. None