

Report of the Cabinet Member for Finance and Resources

Cabinet - 29 July 2014

REVENUE OUTTURN 2013/14 – HOUSING REVENUE ACCOUNT [HRA]

Purpose:	This report details the City and County of Swansea's HRA outturn compared with the approved revenue budget for 2013/14.
Policy Framework:	Budget plan 2013/14.
Reason for Decision:	This report is presented to Cabinet in accordance with Financial Procedure Rules.
Consultation:	Cabinet Members, Executive Board, Legal and Access to Services.
Recommendations:	It is recommended that: - (a) the variations detailed in the report are noted.
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Legal Officer	Tracey Meredith
Access to Services Officer:	Sherill Hopkins

1. Summary of HRA outturn for 2013/14.

- 1.1 The HRA showed a surplus of £10k compared with the budgeted deficit of £3.5m. The main reason for this underspend is savings and slippage on the capital programme, primarily from the high rise programme as previously reported, which has reduced the required contribution from the revenue account by £3.7m. This is broadly in line with the forecast position reported to Cabinet on 11th February.
- 1.2 This means there was a net overspend of £200k on revenue costs and income:-

Item	£000
Increased expenditure on repairs and maintenance partly offset by increased repatriation of the surplus made by Corporate Building & Property Services. The increase was on voids and responsive repairs partly offset by an underspend on the painting budget.	450
Other costs and income (see 1.3 below)	-250
Net overspend on revenue costs and income	200

- 1.3 Although there are numerous variances making up the £250k underspend on other costs and income, the main variance is a shortfall in rent income of £390k. This is

more than offset by additional other income (£150k), a reduced contribution to the bad debt provision (£270k) and savings on various cost items of £220k.

- 1.4 Revenue expenditure within the HRA included the sum of £15.6m as a contribution to capital expenditure designed to achieve the Councils plan for complying with the Welsh Housing Quality Standard

2. Reserves

- 2.1 The opening balance for the year was £13.958m. With the surplus of £10k the closing balance is £13.968m. This is sufficient to fund the slippage of work in to 2014/15 and the £9m approved in February to fund this year's programme, leaving a contingency of just over £4m.

3. Legal Implications

- 3.1 There are no legal implications.

4. Equalities Implications

- 4.1 There are no equalities implications arising from this report. Equality impact assessments are carried out in respect of HRA budgets at the time that budgets are approved.

Background Papers: None.

Appendices: None.