

APPENDIX A

Period 9

HRA Operational Variances (against Original Estimate)				
Item	Adverse £000's	Favourable £000's	Net £000's	Main contributing Factors to Variations
General Management		(-389)	(-389)	Savings in salaries due to delays in recruitment, as it has proved difficult to recruit to vacant posts. Revised forward forecast aligned to updated recruitment plan.
General Management	72		72	Unbudgeted cost of street cleaning and security in the remaining areas of the Priority Estates.
General Management		(-70)	(-70)	Lower anticipated demand for moving incentive within Priority Estates.
General Management		(-29)	(-29)	Savings in the cost of the Contact Centre identified after estimates approved.
General Management		(-50)	(-50)	Savills efficiency gain from participation in Catalyst Framework agreement.
General Management		(-54)	(-54)	Increased income from revised estimate of RTB sales and lower contract costs.
General Management		(-22)	(-22)	Saving on anticipated Garage Strategy recharge no longer required.
Special Management	253		253	Increased demand for temporary accommodation which the HRA supports through transitional funding.
Special Management		(-93)	(-93)	Reduction in recharge from GF to HRA for supporting people work due to lower costs and higher income than estimated.
Repairs		(-33)	(-33)	Mid year amendment of Kier repairs and maintenance contract in line with change in building maintenance contract.
Repairs		(-40)	(-40)	Reduction in anticipated revenue element of communal capital works.
Repairs / Insurance		(-110)	(-110)	Projected insurance costs lower than anticipated
Dwelling Rents	313		313	Revised estimate of rental income taking into account decanted Priority Estate properties held in Orchard in 2016/17 and reported rent income.
Garage Rents		(-35)	(-35)	Higher income from garage rents due to lower void rates, improved maintenance, changes to lettings policy.
Charges for Services and Facilities	273		273	Lower anticipated tenant and leasehold income including adjustment for 2014/15 service charges
Charges for Services and Facilities		(-679)	(-679)	Estimated income from work to leasehold property in 2016/17 and tenant recharges. This is a change to reporting leasehold income which was originally reported as income in capital and not originally

				budgeted for in the HRA.
Rent Rates and Taxes	10		10	Increase in expected council tax due on void properties
Interest Charges	98		98	Higher interest payable on PWLB loan than estimated.
Other minor variances	77		77	
Variance	<u>1,096</u>	<u>(-)1,604</u>	<u>(-)508</u>	Net favourable

Non Operational Variances				
Item				
Direct Revenue Financing of Capital Expenditure	0	(-)3,670	(-)3,670	Reduction in funding to the Housing Capital Programme due to carryovers to 2017/18.
Major Repairs Reserve (depreciation)	82	0	82	
Variance	<u>82</u>	<u>(-)3,670</u>	<u>(-)3,588</u>	Net favourable

HRA Operational Variance (-)£ 508,000

HRA Non Operational Variance (-)£3,588,000

TOTAL Projected HRA Underspend (-)£4,096,000