

HOUSING REVENUE ACCOUNT PRESSURE, SAVINGS & EFFICIENCIES 2011/12

Item	Service Area	2011/12 £'000	No.of FTE	Risk Rating H/M/L	Explanatory notes
Pressures					
HRA Subsidy payable	National Subsidy Payment	2,530.4		L	Based on draft determination received 8th November 2010
Right of Way and Management fee	Rent & Income Collection	15.5		L	Increase in rent payable to British Waterways, right of way access to Jericho and increased management fee for Bury Knowle flats.
Investigation Officer	Rent & Income Collection	20.0		L	Additional funding for Officer to investigate sub-letting of council houses etc.
Caretaker at Cardinal House	Tower Blocks & Flats	4.4	0.5	L	0.5 post required at newly refurbished sheltered block.
Caretaking services	Caretaking services	13.2		L	Bringing back caretaking services at Singleton
Interest on cash balances	Interest on Balances	122.5		M	Interest on balances reduced as a result of reduced interest rates
Item 8 Interest	Item 8 Interest Payable	(288.3)		M	Interest paid reduced as a result of reduction in interest rates
Efficiency Savings					
Local Housing Management	Local Housing Management	(172.4)	(4.0)	L	Vacancies from 2010-11 - agreed not required.
Bad Debt Provision reduction	Rent & Income Collection	(100.0)		L	Provision for bad debt of £250k included in base budget. Improved collection of arrears continues and a revised allowance of £150k represents 0.5% of rental income.
Supplies and services	Rent & Income Collection	(21.0)		L	Reduced supplies and services
Provision for Contracted Services (legal) reduced	Rent & Income Collection	(10.0)		L	Represents a reduction in court fees with work being completed by rent staff as opposed to seeking external legal advice.
Tenant and Leaseholder Involvement	Tenants Participation	(48.0)	(1.0)	L	Post transferred to Community Housing as part of reorganisation.

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Day to day responsive repairs	Day to Day Responsive Repairs	(100.0)	(1.0) M	Decent Homes Programme for the backlog will be completed by 2010. A reduction in responsive repairs is anticipated but so far service levels and value does not reflect this. Further analysis required.
Admin	Management/Infrastructure	(47.6)	(1.0) L	Agreed - post not required as part of reorganisation.
Contracting prime costs	Contracting prime costs	(77.6)	(2.0) L	Reduction of stores staff and gas engineer
Operational Management	Operational Management	(24.6)	L	Savings in operational management
Management Infrastructure	Management Infrastructure	(70.0)	L	Business rates reduction
Major Projects/Policy/Technical	Major Projects/Policy/Technical	(30.0)	L	Reduction in consultancy budget
Review of Fees and Charges				
Increase in Income - Based on using Target Rents when tenancy changes through Voids.				
	HRA Rental Income	(113.3)	L	moving to target rents for voids
Increase rent income to match increase subsidy	HRA Rental Income	(2,107.4)	L	Increase rental income with a cap of 6.2% for 2011-12
Service Reductions				
Welcome Weeks & Tenant's Choice	Planned Maintenance	(132.4)	L	Cancelling existing scheme of void dec packs.
Tenants Choice	Planned Maintenance	47.6	L	Replacing scheme with dec packs costing £22.6k and improved void standard costing £25k. Paper attached.
Warden Control Centre	Planned Maintenance	(26.9)	L	Service ended based on County revised service
Total		(615.9)	(8.5)	

HRA Budget 2010-11 and 2011/12

Service Description		2010/11	Proposed	2011/12
		Original Budget	2011/12 Savings	Budget
INCOME				
	Dwellings - Rent	(31,334,426)	(1,513,904)	(32,848,330)
	Service Charges	(735,247)	(132,356)	(867,603)
	Shops/Garages/Furn./Other Rent	(2,059,102)	(573,742)	(2,632,844)
	Interest On Balances	(200,220)	122,710	(77,510)
	Contracting Income	(14,400,305)	-	(14,400,305)
	Fees/Other	(1,054,475)	-	(1,054,475)
	National Subsidy Payment	16,131,419	2,530,147	18,661,566
	Item 8 Interest Payable	1,039,950	(288,031)	751,919
	NET INCOME	(32,612,406)	144,824	(32,467,582)
EXPENDITURE				
Tenancy Services	Local Housing Management	1,016,729	(172,425)	844,304
	Rent/Income Collection	970,374	(95,751)	874,623
	Tenant's Participation	285,860	(48,047)	237,813
	Tower Blocks And Flats	531,624	4,396	536,020
	Caretaking Services	694,474	11,594	706,068
	Furnished Tenancies	384,807	221	385,028
	Contact Centre	649,615	1,020	650,635
Contracting Prime Costs	Contracting Prime Costs	11,947,726	(77,629)	11,870,097
Repairs Service	Day To Day Responsive Repairs	3,065,095	(100,000)	2,965,095
	Planned Maintenance	4,657,832	(111,697)	4,546,135
	Operational Management	2,253,690	(24,669)	2,229,021
Overheads	Management/Infrastructure	4,946,540	(117,587)	4,828,953
	Major Projects/Policy/Technical	634,186	(30,157)	604,029
Depreciation	Depreciation	10,017,225	-	10,017,225
	Additional savings from efficiencies and delayed recruitment	-	-	-
	TOTAL EXPENDITURE	42,055,777	(760,731)	41,295,046
NET COST		9,443,371	(615,907)	8,827,464
APPROPRIATIONS				
	AMRA	(10,017,225)	-	(10,017,225)
	Depreciation and Impairment			
	Net Transfer To/From Reserves	500,000	615,907	615,907
	CDC, Pension & Retirement Costs	73,854	-	73,854
	Net changes made for retirement benefits FRS17			
	Employers Pension FRS17 Adjustment			
	OTHER BUSINESS UNITS	(9,443,371)	615,907	(9,327,464)
Total HRA Surplus -/Deficit		(0)	-	(500,000)
HRA WORKING BALANCE				
Balance c/f 1st April		(2,000,000)		(2,000,000)
Transfer from HRA		-		(500,000)
Balance c/f 31st March		(2,000,000)		(2,500,000)