

HRA Probable Budget 2011-12 and Draft Budget 2012-13				
Description	(1) Original Budget 2011-12 £000's	(2) Revised Budget 2011-12 £000's	(3) Probable Budget 2011-12 £000's	(4) Draft Budget 2012-13 £000's
Provision For Bad Debts	200	258	976	658
Rent & Rates	573	1,478	1,648	1,638
Services	590	590	590	590
Capital Financing	20,659	20,659	20,183	11,456
Depreciation (Major Repairs Allowance (MRA))	8,078	8,078	8,078	13,720
Leaseholder Service Charges Income	0	-2,705	-3,120	-3,120
HRA Subsidy (incl MRA)	-8,552	-8,552	-8,076	0
Rent Income	-46,934	-46,934	-47,345	-50,518
Non Dwelling Rent	-379	-379	-329	-379
Other Income	-280	-280	-280	-142
General Management	10,074	11,816	12,083	11,813
Special Management	4,950	4,950	5,022	4,942
Housing Repairs	11,763	11,763	11,713	11,528
Net Expenditure	742	742	1,143	2,186
Surplus B/Fwd	-466	-466	-1,163	-696
To/(from) Earmarked Reserve	-676	-676	-676	-1,890
Surplus C/Fwd	400	400	696	400
Total	0	0	0	0

Nb. The revised budget 2011-12 results from a reclassification exercise and is neutral on the HRA

HRA Budget Summary - Revised Budget Vs Probable Budget 2011-12 Variance					
Description	(1) Revised Budget 2011-12 £000's	(2) Budget Reclass £000's	(3) Other Virements £000's	(4) Probable Budget 2011-12 £000's	Other Virements Explanation
Provision For Bad Debts	258	0	718	976	Increase in provision for rent £400k, service charges £42k, and one of provision for historic debt that is being disputed £276k
Rent & Rates	1,478	-75	245	1,648	Insurance premiums
Services	590	0	0	590	
Capital Financing	20,659	0	-476	20,183	Interest Rate Reduction - note that this is offset in a reduction in housing subsidy
Depreciation (MRA)	8,078	0	0	8,078	
HRA Subsidy (incl MRA)	-8,552	0	476	-8,076	Interest rate reduction - note that this is offset by a reduction in capital financing
Rent Income	-46,934	0	-411	-47,345	Forecast increase in rent income for Council Dwellings (including shortlife properties)
Leaseholder Service Charges	-2,705	0	-415	-3,120	Forecast increase in leaseholder service charges based on actual bills
Non Dwelling Rent	-379	0	50	-329	Forecast overspend due to over accrual in 2010-11
Other Income	-280	0	0	-280	
General Management	11,816	53	214	12,083	Pension oncost for BHP staff (from 12.6% to 15.8%)
Special Management	4,950	72	0	5,022	
Housing Repairs	11,763	-50	0	11,713	
Net Expenditure	742	0	401	1,143	In year forecast overspend
Surplus B/Fwd	-466	0	-697	-1,163	Audited additional surplus from 2010-11
From Earmarked Reserve	-676	0	0	-676	
Surplus C/Fwd	400	0	296	696	Additional surplus carried forward to 2012-13
Total	0	0	0	0	

HRA Budget Summary - Probable Budget 2011-12 Vs Original Budget 2012-13 Variance				
Description	(1) Draft Probable Budget 2011-12 £000's	(3) Variance £000's	(4) Draft Original Budget 2012-13 £000's	Variance Explanation
Provision For Bad Debts	976	-318	658	One off bad debt provision in 2011-12 not needed in 2012-13
Rent & Rates	1,648	-10	1,638	Efficiency/Stock Loss £-10k
Services	590	0	590	
Capital Financing	20,183	-8,727	11,456	Impact of £198m debt repayment £-9.405m, interest rate £904k, premia £-372k, discounts £43k, other £103k
Depreciation (Major Repairs Allowance (MRA))	8,078	5,642	13,720	£2,665k additional MRA increases for 2012-13 per self financing valuation, £791k growth, £296k one off growth funded by balances and £1.890m one off growth funded by the ALMO interest rate earmarked reserve.
HRA Subsidy	-8,076	8,076	0	HRA Subsidy abolished under self financing from 2012/13
Rent Income	-47,345	-3,173	-50,518	Stock reduction through right to buy sales and regeneration at Stk Kilburn and Barham Pk £167k, 2012-13 rent increase £-3,182k, and 2012-13 service charges increase £-158k.
Leaseholder Service Charges	-3,120	0	-3,120	
Non Dwelling Rent	-329	-50	-379	One off income shortfall in 2011-12 not continued into 2012/13
Other Income	-280	138	-142	Reduction in interest earned on HRA balances £150k, mortgage interest £2k, and additional £-14k income from BHP regarding the capital charges on Disabled Facilities Grants
General Management	12,083	-270	11,813	Inflation £129k and stock reduction/efficiency savings £-399k.
Special Management	5,022	-80	4,942	Inflation £80k and stock reduction/efficiency savings £-160k.
Housing Repairs	11,713	-185	11,528	Inflation £196k, and stock loss/efficiency savings £-381k.
Net Expenditure	1,143	1,043	2,186	
Surplus B/Fwd	-1,163	467	-696	Expenditure funded by one off balances on 2011-12
Transfer From Earmarked Res	-676	-1,214	-1,890	Expenditure funded by one off balances on 2011-12 (Almo interest rate adjustment) £676k, use of one off earmarked reserve £-1,890k
Surplus C/Fwd	696	-296	400	Use of balances to fund one off expenditure on Major Repairs
Total	0	0	0	