

# **WAVERLEY BOROUGH COUNCIL**

## **EXECUTIVE**

**9 JULY 2019**

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### **Title:**

#### **HRA FINANCIAL OUTTURN REPORT 2018/19**

**[Portfolio Holder: Cllr Anne-Marie Rosoman]  
Wards Affected: All]**

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### **Summary and purpose:**

This report provides a summary of the 2018/19 financial outturn against budget for the Housing Revenue Account. The full Statement of Accounts will be presented for approval by the Audit Committee on 22 July 2019.

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### **How this report relates to the Council's Corporate Priorities:**

The monitoring and management of the Council's budgets ensures there is financial control over the services that contribute to the Corporate Priorities.

### **Resource/Value for Money implications:**

This report reviews the position against the budget for the Housing Revenue Account and Capital Programmes. It reviews the progress made on service delivery against the 2018/19 budget.

### **Legal Implications:**

There are no direct legal implications relating to this report.

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### **Introduction**

1. This report provides a summary of the 2018/19 Housing Revenue Account outturn position and details any major variations from the budget. This report is the final budget monitoring report for the 2018/19 year and builds on the position previously reported to Members through the Quarterly Performance Reporting Process.

### **Housing Revenue Account (HRA)**

2. The HRA outturn shows a surplus of £2.2m on a budget of £28m. The key components being £0.5m additional income, and lower spend on responsive repairs £0.9m, a reduced contribution to the Core Capital programme £0.9m resulting in £0.1m less staff charged to capital schemes than budgeted that is now additional cost to the Revenue Account.
3. The additional income was generated from increased recovery of service charges and garage rents.

4. The majority of the £0.9 underspend on the responsive repairs budget contained a contingency this year to wrap up the contract with Mears resulting from the retendering exercise won by MPS.

### **HRA Capital Programme**

5. The housing capital programme is funded through the New Build Reserve and the Core Programme Reserve supported predominantly by a £7m contribution from the Housing Revenue Account. This year £0.9m less was required to fund the core programme as seen in 2 above.
6. In previous years the full cost of a project would be included in the capital programme opening budget and rescheduled as required across financial years. This would be reflected through the approved budget with any surplus released on completion of the specific projects. This year we have released all rescheduled budgets and accounted for every project as required in the future capital programme budgets. This has therefore resulted in the release of significant surplus budget as can be seen in the narrative below.

### **Core Capital**

7. A high percentage of the Core Capital Programme is demand led. The total spend on the Core Capital Programme to ensure our homes are safe, warm and desirable was £3.9m, underspent by £0.9m, including the following project budgets that are being requested to carry forward for works spanning two financial years.

<b>Cost Type</b>	<b>Amount</b>
Roof	£24,221
Windows and doors	£92,500
Bathrooms	£1,800
Kitchens	£4,400
General Structure	£1,000
Parking	£59,884
	<b>£183,805</b>

### **New Build and Stock Remodelling**

8. The overall approved budget was £13m of which predominantly £10m of rescheduling is surplus budget being released. The significant element of this is the Ockford Ridge project. The following project budgets are being requested to carry forward for works spanning two financial years:

<b>Project</b>	<b>Amount</b>
Pre-development Expenditure	£25,312
Middlefield, Farnham	£18,000
Nursery Hill, Shamley Green	£2,000
Weycourt redevelopment	£45,000
Hullmead	£22,910
HRA Property Purchase	£368,787

Ladymead	£1,000
Land adj 75 Sherrydon	£5,000
Ockford Ridge - Site B	£13,042
Ockford Ridge - Site C	£27,543
Ockford Ridge refurbishment- phase 1	£59,853
Community rooms	£264,000
	<b>£852,447</b>

## **Recommendation**

It is recommended that the Executive:

1. notes the outturn position on revenue 2018/19 in paragraph 2; and
2. approves the HRA capital carry forwards to 2019/20 as detailed para 7 and 8.

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## **Background Papers**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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