

HRA BUDGET COMPARISON OF 2006/07 BUDGET TO PROPOSED 2007/08

DETAIL	2006/07 ORIGINAL BUDGET £000's	2006/07 REVISED BUDGET £000's	2007/08 BUDGET £000's	EXPLANATION OF MAIN MOVEMENTS
INCOME				
Dwelling Rents	(42,681)	(42,681)	(43,416)	Includes 2.86% increase and includes effect of RTB and voids.
Non-Dwelling Rents:				
Garages	(744)	(744)	(721)	Increase in empty premises - problems in renting out.
Commercial	(650)	(650)	(660)	
Heating Charges	(425)	(425)	(454)	Increase in recharge to tenants, net of void loss.
Leaseholders' Charges for Services and Facilities:				
Service Charges	(423)	(423)	(520)	3% inflation increase and extra income from increase in leaseholder stock, also correction of 2006/07 base budget to reflect actual situation.
Other Charges for Services and Facilities:				
Service Charges	(94)	(94)	(94)	
Other	(415)	(415)	(430)	Increase in recharge to tenants.
Interest Receivable	(155)	(155)	(234)	More monies in reserve, due to increase in income and reduction in expenses.
GROSS INCOME	(45,587)	(45,587)	(46,529)	
EXPENDITURE				
Repairs and Maintenance				2006/07 - Landscape budget moved to Special Services. 2007-08 - removal of contingency set up whilst MITIE contract bedded in and savings as a result of the MITIE partnership.
General Management	8,906	8,646	7,611	
Special Services	8,999	9,246	8,492	2006/07 - Fixed central recharge budget moved from Special Services. 2007/08 - Removal of historic unrequired consultancy/contingency budgets, highlighted as a result of the Zero Based Budgeting exercise carried out when the 2007/08 budgets were being set. 2.75% payroll increase and 5% vacancy provision.
Rents, Rates, Taxes and Other Charges	2,850	2,805	3,390	2006/07 - Landscape budget moved from R&M, fixed recharges moved to Gen Mgt. 2007/08 - utility inflation, 2.75% payroll increase and 5% vacancy provision.
Housing Revenue Account Subsidy Payable	280	338	348	
Housing Benefits Transfers	14,569	14,569	16,055	Rent that government guidelines indicate should be charged, less debt, management and maintenance allowances, increase as rent convergence grows nearer. Difference between actual rent and rent govt will allow us to claim back benefits on is reducing as rent convergence becomes nearer to completion. Leading to ultimate zero payment by 2011/12.
Provisions:				
Bad and Doubtful Debts	3,197	3,197	2,438	
Capital Financing Costs:				
Debt Charges Net of Mortgagors' Interest	422	422	430	
Transfer to Reserves:				
Capital Reserves	4,483	4,483	4,196	Reflects review of cost of borrowing.
GROSS EXPENDITURE	2,796	2,796	3,019	Transfer to capital programme. Assisting towards the achievement of the Decent Homes standard.
NET (SURPLUS) / DEFICIT FOR THE YEAR	913	913	(550)	
Uncommitted Reserve Brought Forward	(4,064)	(4,064)	(4,767)	
Net (Surplus) / Deficit for Year	913	913	(550)	
UNCOMMITTED RESERVE CARRIED FORWARD	(3,151)	(3,151)	(5,317)	