

**Appendix Three : HRA Business Plan Projections 2021/22 - Variance Analysis(£m)**

**Projected Net Revenue Expenditure**

Year	2020/21 £m	2021/22 £m	Variance £m	Comments for Variances of Interest and of +/- £0.5m
Housing Rent	-25.6	-26.1	-0.5	Rent Increase in line with National Rent Policy
Void Losses	0.2	0.2	0.0	
Service Charges	-0.5	-0.7	-0.2	
Non-Dwelling Income	-1.1	-1.1	-0.1	
Grants & Other Income	-0.3	-0.0	0.2	
<b>Total Income</b>	<b>-27.3</b>	<b>-27.8</b>		
Premises	1.1	1.2	0.1	
Supplies and Services	0.0	0.1	0.1	
Third Party Payments	0.0	0.0	0.0	
Support Services (Staffing)	5.0	6.1	1.1	Staff Restructure and Salary Inflation plus extra resource for recommendation 5
Capital Charges	0.0	0.0	0.0	
Depreciation	5.9	6.2	0.3	
Bad Debt Provision	0.4	0.4	0.0	
Responsive & Cyclical Repairs	5.3	6.5	1.1	Extra Fire Safety Works for 2020/21 & 2021/22 and Contract Inflation
<b>Total Revenue Expenditure</b>	<b>17.7</b>	<b>20.4</b>		
Finance Administration	0.0	0.0	0.0	
New Borrowing Interest Paid	0.9	2.0	1.2	New Development Loan Interest Paid
Interest Received	-0.2	-0.3	-0.1	
Other Appropriations	0.0	0.0	0.0	
<b>Net Operating Income</b>	<b>-9.0</b>	<b>-5.7</b>		
IAS 19 /Other HRA Reserve Adj	-0.2	-0.3	-0.1	
Self Financing Debt Interest Paid	4.8	4.8	0.0	
Other Appropriations	0.0	0.0	0.0	
Contribution to / from reserves	0.0	0.0	0.0	
Revenue Contribution to Capital Outlay	0.0	0.0	0.0	
Contribution to HRA CIR	4.4	1.2	-3.2	Increased Revenue Expenditure reduces contribution to HRA CIR, Some delayed works from Covid in 2020/21 transferred to 2021/2022
<b>Total Appropriations</b>	<b>9.0</b>	<b>5.6</b>		
<b>Net Revenue Exp/(Income)</b>	<b>-0.0</b>	<b>-0.0</b>		
<b>HRA Balance &amp; Reserves</b>				
HRA Closing Balance	1.5	1.5	0.0	
CIR Closing Balance	28.5	23.1	-5.4	Balance Reduced as CIR is utilised to fund Construction and Acquisition and cross fund MRR due to Fire Safety and Climate Change Works
MRR Closing Balance	6.0	5.4	-0.6	Increased Climate Change and Fire Safety Works Have reduced balance
RTB 1-4-1 Closing Balance	0.2	0.5	0.4	Time Limited Receipts have been used in full in 2019/20 as planned and are slowly increasing
	<b>36.2</b>	<b>30.6</b>		
<b>Projected Capital Expenditure</b>				
Construction/Acquisition of Homes	26.6	45.3	18.7	Increased Construction and Acquisition of Housing
Capital Maintenance & Improvement	6.5	14.2	7.7	Increased Planned Maintenance as per the HIP including Fire Prevention Works
<b>Total Capital Expenditure</b>	<b>33.1</b>	<b>59.5</b>		
<b>Projected Borrowing</b>				
Borrowing b/f	136.2	136.2	0.0	Existing Self Financing Maturity Loan
Self Financing Loans Repaid	0.0	0.0	0.0	Existing Loan Repayments Due 2061/62 or to be refinanced
<b>Self Financing Borrowing c/f</b>	<b>136.2</b>	<b>136.2</b>		
New Borrowing	25.0	57.9	32.9	New Annuity Loan borrowing for construction and acquisition of Land and Housing
New Borrowing Loans Repaid	-0.4	-1.0	-0.6	New Annuity Loan Repayments
<b>New Borrowing c/f</b>	<b>24.6</b>	<b>56.9</b>		
<b>Total Borrowing c/f</b>	<b>160.8</b>	<b>193.1</b>		