

Section 1

Reasons for variation between Original Estimate 2011/12 and Revised Estimate 2011/12

1. Annex A item 1 – Dwelling Rents – level of voids greater than anticipated in the budget.
2. Annex A – Item 4 - Transfer from Major Repairs Reserve –adjustment to MRA to be charged to the revenue account
3. Annex B – Item 1 - Supervision and Management General – Employees – Transfer of Rent Collection Service from Finance to Housing (corresponding reduction in Central Establishment Charges and impact of no pay award in 2011/12
4. Annex B – Item 2 - Supervision and Management (General) – Carry forward of consultancy and other fees approved by Council 5 July 2011
5. Annex B _ item 3 – Central Establishment charges - Transfer of Rent Collection Service from Finance to Housing (see 3 above)
6. Annex B – Item 4 - Supervision & Management (Special) – Employees – Impact of no pay award in 2011/12
7. Annex B – Item 6 - Supervision & Management (Special) – Income – Increased income from Supporting People
8. Annex C – Repairs Administration – Employees – Savings resulting from Vacancies

Section 2

Reasons for variation between Original Estimate 2011/12 and Original Estimate 2012/13

1. Annex A – item 1- Dwelling Rents

The increase in dwelling rents between 2011/12 original and 2012/13 original results from the implementation of the rent formula. Rents for 2012/13 have been increased in line with formula which gives an average 9.3% increase

2. Annex A - items 2 and 4 - Transfer from Major Repairs Reserve & Item 8 Debit

The changes reflect the depreciation provision arising from the March 2011 revaluation of the Housing Revenue Account assets. The decrease must be shown in the Item 8 debit, but is reversed by the transfer from the Major Repairs Reserve so that tenants only have to meet a sum equivalent to the Major Repairs Allowance.

3. Annex A – item 3 - Negative HRA Subsidy, Interest on Borrowing, repayment of debt, these all arising from the end of the Subsidy system see para 3.4 of the main report

4. Annex A – item 4 and Annex C item 3 - FRS17 Pension Adjustment

The decreases reflect decreases in the relevant charges included in Employee Costs. There is no net effect on overall expenditure.

5. Annex B – item 1 – Employee costs Supervision & Management General - Transfer of Rent Collection Service from Finance to Housing (corresponding reduction in Central Establishment Charges)

6. Annex B - item 2 - Supervision and Management (General) Supplies & Services – additional provision for consultancy & legal fees (£20,000)

7. Annex B _ item 3 – Central Establishment charges - Transfer of Rent Collection Service from Finance to Housing (see 5 above)

8. Annex B – item 4 – Employee costs Supervision & Management (Special) – reallocation of costs following restructures

9. Annex B – item 5 – Premises Costs Supervision and Management (Special) Reduced Energy costs principally Gas

10. Annex B – Item 6 - Supervision & Management (Special) – Income – Increased income from Supporting People