

## APPENDIX A - HRA

### HRA REVENUE ACCOUNT (HRA)

1. The HRA annual expenditure budget is £23.561M and income budget is £28.924M, which allows a contribution of £5.363M to Reserves to present a net budget of zero.
2. As a result of a restructure within the Housing Service during 2016/17, the Asset Management service has been split to create a new team called the Housing Investment Team. Capital related works are now managed within Housing Investment, whilst the management and maintenance of properties and tenants forms the Housing Operations Team. A subjective breakdown of the provisional outturn position is shown in **Table 1** below.

	2016/17 Budget	2016/17 Provisional Outturn	Variance Provisional Outturn to Original Budget
	£M	£M	£M
<b>Total Income</b>	(28.924)	(29.259)	(0.335)
Housing Operations	6.851	6.264	(0.587)
Financial Inclusion	0.596	0.447	(0.149)
Asset Management	0.107	0.081	(0.026)
Corporate Resources	2.047	2.084	0.037
Maintenance	5.506	4.865	(0.641)
Debt related costs	0.119	0.086	(0.033)
Direct Revenue Financing	5.121	5.121	0.000
Efficiency Programme	(0.853)	(0.853)	0.000
Interest repayment	4.067	3.975	(0.092)
Principal repayment	0.000	0.000	0.000
<b>TOTAL Expenditure</b>	<b>23.561</b>	<b>22.069</b>	<b>(1.492)</b>
Surplus	(5.363)	(7.190)	(1.827)
Contribution to / (from) reserves	5.363	7.190	1.827
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

3. There is a favourable provisional outturn position for income (£0.335M) against the full year budget (£28.924M). This is partially a result of 9 properties being purchased during the year. In addition the management arrangements at the Kilgour Court facility in Leighton Buzzard have been brought back in house, with the benefit that 18 properties have been converted into 41 tenancies. This has had a positive impact on rental income and service charges within the year.
4. The provisional outturn position within Housing Operations shows a favourable variance of £0.587M against a full year budget of £6.851M. There have been efficiency savings of £0.355M achieved by bringing project work in house and utilising existing resources, together with delays in bringing forward some new build schemes. The project to transfer information on to an electronic file management system completed earlier than expected, saving £0.084M; further savings have been achieved in relation to tenancy sustainment work, resulting in an underspend of £0.040M. Part of the in year favourable variance relates to underspends on insurance related repairs works of £0.076M. This budget is earmarked for situations where insurance related costs are below the policy excess and the Council has to self fund.
5. The provisional outturn position for the Financial Inclusion service shows a favourable variance of £0.149M against a full year budget of £0.596M. The Council has received approval from Government to fund Discretionary Housing Payments (DHP) for Council tenants from the HRA. These payments occur where tenants are under occupying (referred to as the Spare Room Subsidy), resulting in a reduction in the amount of Housing Benefit they receive towards their rent, but where the Council assesses that it would not be appropriate for the tenant to be disadvantaged in this way. This could occur where a disabled tenant requires an extra room for a carer.
6. Spend on DHP was kept to a minimum by assisting tenants to downsize, and thereby free up under occupied Council homes. As a result the £0.070M budgeted in the HRA for DHP was not required. A further £0.066M of savings within Financial Inclusion were achieved by reduced staff costs.
7. The provisional outturn position for Maintenance shows a favourable variance of £0.641M against a full year budget of £5.506M. The re-procurement of the Central Heating Maintenance Contract, including domestic and commercial appliances, has saved £0.130M. Fire Safety works cost £0.141M, yielding a saving of £0.126M which results from controls introduced in previous years.
8. Placing more specialist maintenance work through the electrical and day to day contractors has resulted in a full year favourable variance of £0.105M against our smaller repairs contractors. Working closely with the routine maintenance contractor to reduce the number of maintenance visits to each property has provided a further saving of £0.212M against the full year budget of £1.792M.

Overall, good progress has been made and the efficiency savings being achieved have featured within the HRA Efficiency programme for 2017 - 2021, which anticipates the creation of a new Repairs Delivery model by bringing together several contracts and considering a range of delivery options.

9. The starting point is to implement a 'self serve' customer interface using First Touch apps aligned to 'end to end' system integration between contractor and Council systems, all of which is in progress. By 2019, the aim is to create a Repairs Delivery model that is better able to respond to the problems within the labour market, so as to retain a sustainable, skilled workforce, in terms of repair and maintenance type operations. The project is therefore 'two stage': to create a lean, fit for purpose, mainly self service, customer interface across all repairs type operations, aligned to the creation of a sustainable model to deliver high quality repairs and servicing in tenants and leaseholders homes.
10. Lower than anticipated variable interest rates, on the Council's Self Financing loans, have resulted in a favourable variance of £0.092M. The average interest rate on the Self Financing debt of £165M was 2.41%, with the variable rate element at 0.57%. Since the Self Financing settlement in 2012 the Council has elected not to make any principal debt repayment against the HRA loans. The latest version of the Council's Medium Term Financial Plan (MTFP) incorporates HRA debt repayment from 2017/18, with £9.73M of debt to be repaid by 2021.

#### **HRA CAPITAL PROGRAMME**

11. Across the HRA Capital Programme there is a provisional year end outturn of £9.776M against a budget of £15.589M. It is proposed that committed works within Stock Protection projects to the value of £0.303M and £3.706M of Future Investment projects are deferred to 2017/18. The net provisional outturn after proposed slippage is £1.804M below budget.
12. An analysis of the outturn position and variance, for each HRA scheme, is presented at Table 2. The proposed funding of the programme is shown at Table 3.

**Table 2**

	Approved Budget 2016/17	Provisional Outturn	Variance	Slippage to 2017/18	Variance net of slippage
	Net Expenditure	Net Expenditure	Net Variance	Net Expenditure	Net variance
	£'000	£'000	£'000	£'000	£'000
<b>Stock Protection</b>					
General Enhancements	100	116	16	0	16
Lift Replacement	100	106	6	0	6
Fire Safety & Alarm Systems	194	146	(48)	0	(48)
Garage Refurbishment	109	48	(61)	(4)	(57)
Paths & Fences siteworks	110	103	(7)	0	(7)
Estate Improvements	200	43	(157)	(121)	(36)
Green Space Improvement	60	0	(60)	0	(60)
Energy Conservation	750	454	(296)	(88)	(208)
Roof Replacement	550	552	2	0	2
Assisted Living Technology	65	0	(65)	0	(65)
Central Heating Installation	710	586	(124)	0	(124)
Rewiring	565	312	(253)	0	(253)
Kitchens and Bathrooms	900	610	(290)	0	(290)
Central Heating communal	25	13	(12)	0	(12)
Door Replacement	292	240	(52)	0	(52)
Structural repairs	250	71	(179)	(21)	(158)
Aids and adaptations	450	494	44	0	44
Drainage and Water Supply	35	69	34	0	34
Capitalised salaries	500	489	(11)	0	(11)
Asbestos management	360	305	(55)	(24)	(31)
Communal/PIR Lighting	660	483	(177)	(33)	(144)
Targeted door Replacement	20	20	0	0	0
Window Replacement	138	43	(95)	(12)	(83)
<b>Sub Total</b>	<b>7,143</b>	<b>5,303</b>	<b>(1,840)</b>	<b>(303)</b>	<b>(1,537)</b>

	Approved Budget 2016/17	Provisional Outturn	Variance	Slippage to 2017/18	Variance net of slippage
	Net Expenditure	Net Expenditure	Net Variance	Net Expenditure	Net variance
	£'000	£'000	£'000	£'000	£'000
<b>Future Investment</b>					
Stock remodelling	130	117	(13)	0	(13)
Parking Schemes	125	9	(116)	(116)	0
Investment Panel Programme	69	27	(42)	0	(42)
Houghton Regis Central	295	291	(4)	0	(4)
Garage Site Assembly	229	0	(229)	(229)	0
Garage Site Development	318	49	(269)	(269)	0
Croft Green	2,439	264	(2,175)	(2,175)	0
Sheltered Refurbishment	400	181	(219)	(150)	(69)
New Homes	3,310	2,543	(767)	(767)	0
Major Renewal Schemes	125	0	(125)	0	(125)
Priory View	1,006	1,005	(1)	0	(1)
Creasey Park New Homes	0	(13)	(13)	0	(13)
<b>Sub Total</b>	<b>8,446</b>	<b>4,473</b>	<b>(3,973)</b>	<b>(3,706)</b>	<b>(267)</b>
<b>HRA</b>	<b>15,589</b>	<b>9,776</b>	<b>(5,813)</b>	<b>(4,009)</b>	<b>(1,804)</b>

**Table 3**

<b>Proposed Funding of HRA Capital Programme</b>	
<b>Source</b>	<b>£'000</b>
Revenue Contributions	5,121
Useable Capital Receipts	3,359
Independent Living Development Reserve	1,296
Strategic Reserve	0
<b>Total</b>	<b>9,776</b>

### **STOCK PROTECTION**

13. Within Stock Protection there is a favourable provisional outturn variance of £1.537M after proposed slippage of £0.303M. The most significant variances are as follows: Kitchen and Bathrooms (£0.290M), Rewiring (£0.253M), Energy conservation (£0.208M), Structural Repairs (£0.158M), Communal/PIR Lighting (£0.144M), Central Heating Installation (£0.124M), Window Replacements (£0.083M), Assisted Living Technology (£0.065M), and Estates and Green Space Improvements (£0.096M).
14. Kitchens and Bathrooms have delivered a favourable outturn variance of £0.290M, due to savings made in procurement of the works, and a higher level of refusal of works from customers than had been accounted for when setting the budget provision.
15. Rewiring shows a favourable outturn variance of £0.253M. This is a result of savings having been made during the year by undertaking partial rewires and repairs to installations, in order to bring the installation up to standard and increase the life of the installation rather than undertaking full rewires.
16. Energy Conservation has delivered a favourable outturn variance of £0.208M after proposed slippage. This is a combination of £0.019M of savings made when agreeing final account accruals from 2015/16, and £0.189M of savings made in the procurement and cost engineering of the works undertaken in 2016/17. In addition there were delays in completion of works before year end due to inclement weather. However, the works have been committed to be completed by the end of May 2017, and therefore it is proposed to defer £0.088M into 2017/18.
17. Structural Repairs shows a favourable outturn variance of £0.158M after proposed slippage. While Structural works are capital expenditure, it is not based upon a planned programme and therefore expenditure is called off when works of this nature are required. This year has seen a significant reduction in the need for this type of work compared to previous years. This can be

attributed to the improvement in the delivery method in identifying and undertaking of structural repairs.

18. Communal/PIR Lighting has resulted in a favourable outturn variance of £0.144M after proposed slippage. This is due to a reduction in the required works by upgrading existing systems. The project has also seen delays within the year, due to delays in works to be undertaken by statutory suppliers before the landlords work can be undertaken, which has resulted in the proposed slippage of £0.033M into 2017/18.
19. Central Heating Installation shows a favourable variance of £0.124M, which is partially the result of cost engineering and the reuse of distribution systems in properties for 2016/17; £0.090M of the variance is a consequence of agreeing the final accounts in the accrued works from 2015/16.
20. Window Replacements shows a favourable variance of £0.083M, after proposed slippage, as a result of savings made following the decision to end the existing contract and re-procure the works on a different basis than the original, more expensive contract. £0.012M of proposed slippage into 2017/18 is for committed works not completed within 2016/17.
21. Assisted Living Technology has delivered a favourable outturn variance of £0.065M. A decision was made to replace existing technology and door entry systems only on failure, while we review the "offer" from the Council in relation to Assisted Living Technology (Telecare). The underspend in Assisted Living Technology is due to this approach, whilst a review is being undertaken into the service offer and to ensure that any such technology is future proofed rather than take the traditional approach.
22. Estate Improvements and Green Space Improvements show a combined favourable outturn variance of £0.096M after proposed slippage. The works were delayed due to issues with the design of the proposals, and permissions required of national bodies for works to be agreed. There was also a lack of interest in tendering for the works, which resulted in the works not starting on site and requiring re-tendering. £0.121M of the budget is to be slipped into 2017/18 for the works to progress following the tendering procedure.

## **FUTURE INVESTMENT**

23. Major construction work at the Croft Green Development was forecast to commence in June 2017 with completion forecast for the winter of 2018. A preferred bidder was identified and the decision to award Part A of the contract was taken at the June 2016 Executive. The contractor has now been appointed to progress the Part A works. When complete, the development will provide 24 self-contained apartments and communal facilities. The provisional outturn shows that, from a budget of £2.439M, an outturn of £0.264M spend occurred in 2016/17 with the balance proposed to be deferred to 2017/18. The contract sum submitted by the contractor in March 2017 is financially unviable

and we are working with the contractor to identify value engineering opportunities. The June 2017 start date has been postponed whilst this work is undertaken.

24. The combined Garage Site Development/Assembly programmes have identified 30 sites that have the potential to deliver 123 new homes of mixed type and tenure. The budget will be used to progress land and garage buy-backs and planning consent on those sites. A financial business case for alternative uses will be prepared for consideration as part of the scheme development. Current provisional outturn shows a spend of £0.049M with proposed slippage of £0.498M into 2017/18.
25. The Housing Service has worked with colleagues in other areas of the Council to identify land that is suitable for housing and within the Council's ownership. The objective is to extend the supply of affordable housing throughout the authority area, rather than just in the south of the area. Land with the potential to deliver 2 units, previously owned by Corporate Assets, has been acquired at Havelock Road, Biggleswade. Following Executive approval, the land has been transferred from the GF to the HRA, for the agreed land value of £0.075M. A planning application for two new semi detached properties has recently been approved.
26. The purchase of dwellings within the New Homes project line has resulted in 9 new purchases within 2016/17. These properties will be used to help address the demand for Temporary Accommodation and supported accommodation. By creating additional tenancies in the HRA, the cost to the Council's General Fund (GF) of supplying emergency accommodation is significantly reduced as the rent falls within Housing Benefit levels, compared to expensive Bed and Breakfast or 'Nightly Lets' accommodation where the Council has to bridge the gap between the rent and the amount that Housing Benefit will fund.
27. The provisional outturn position shows spend of £2.543M against an original total budget of £3.310M and a proposed slippage of £0.767M for a further three properties. The property purchases will enhance the asset base of the HRA, offset the increase in Right to Buy sales (please see the section on HRA Capital Receipts), and reduce revenue expenditure in the GF.
28. There are increasing homelessness pressures, which are impacting upon GF temporary accommodation (TA) budgets. The approach being taken is to create "system resilience" for the future, establishing flexible provision across Central Bedfordshire, to be managed intensively as either TA and/or supported housing. The Housing Service has created an Intensive Property Management Team (within the HRA) that will manage all of the properties and rooms that are used for TA on a 'hotel-style' basis, in part to maximise income; but more importantly, to avoid cost at the level seen in neighbouring local authorities.
29. Over time, it is envisaged that this provision will increase to circa 250 units (homes, single rooms, shared accommodation). The use of this 'circa 250 units'

will function flexibly, as both TA and accommodation based supported housing, the main aim being to avoid cost to the system. Whilst management and maintenance costs are significantly higher for this type of accommodation, the greater concentration of tenancies will also generate additional income for the HRA. More importantly, this approach directly facilitates the Housing GF efficiencies, to reduce TA Budget provision over a three year period.

30. As part of this approach, and following Executive approval, the Greenacre site in Dunstable has also been transferred from the GF into the HRA. The former Care home has recently been independently valued at £1.5M, which has been funded from existing HRA Reserves and provided the equivalent of an immediate capital receipt for the GF. In the short to medium term this could provide flexible bedsit accommodation for up to 50 people, addressing demands for TA or Supported accommodation. In the longer term the site could be regenerated to provide new housing supply and would certainly enhance the HRA's portfolio of assets.
31. There was no expenditure within the Major Renewal Schemes project code therefore saving (£0.125M), as the regeneration project works originally considered are not likely to emerge in the short to medium term.
32. The Priory View development achieved practical completion on 22 April 2016. The Council's employer's agent recommended withholding monies from the contractor relating to outstanding snagging works. As the budget provision of £1.006M relates to works completed in 2016/17, an accrual has been entered to match spend in the year to the budget. However, some of the snagging and non compliant works are still outstanding, and there is a dispute on the final account with a substantial disparity between the amount agreed by the Council and that claimed by the main contractor. Legal advice has been obtained, which indicates that the Council is in a strong position; however this process could extend for several months and could lead to adjudication.
33. Houghton Regis Central is a site comprising the vacant former Co Op site, the Grade 2 listed Red House and Red House Court in Houghton Regis town centre. The development will involve re-development in two stages, with construction initially taking place on the Co Op site to allow the current Red House Court residents to move to new apartments. This would enable the existing building (Red House Court) to be demolished, to then provide homes and new facilities on the existing site.
34. The scheme will comprise 168 independent living apartments. The scheme will deliver 71 affordable rented units, 71 shared ownership units, 26 market sale units and one eight bedded re-ablement suite. In addition to the residential units the scheme will provide communal facilities, commercial units and car parking. The scheme received planning consent in November 2016. Spend in 2016/17 was mostly on architectural and planning services, and amounted to £0.291M.

## HRA EFFICIENCY PROGRAMME

35. Since 2010 the Housing Service has been using Housemark to provide a benchmarking service. The analysis provided has assisted in identifying the areas where HRA expenditure is high relative to other stock retained authorities. Benchmarking has indicated, for example, that we should review the Repairs Delivery model, the result of which has been the achievement of 'in year' savings and further proposals for HRA efficiencies going forward.
36. The HRA revenue budget for 2016/17 was reduced by £0.853M, as part of the Council's efficiency programme.
37. This year's HRA efficiency target comprises mainly of reduced Day to Day and Void maintenance costs (£0.680M). The overall efficiency target for 2016/17 was fully achieved.

## HRA ARREARS

38. **Table 4** shows a breakdown of the HRA debt position at March

Debt Analysis - Tenant Arrears						
Description of debt	0-4 weeks	4-8 weeks	8-13 weeks	13-52 weeks	Over 1 yr	TOTAL
	£M	£M	£M	£M	£M	£M
Current Tenant	0.157	0.131	0.067	0.082	0.000	0.437
Former Tenant	0.006	0.006	0.013	0.074	0.414	0.513
						<b>0.950</b>
Debt Analysis - Other Arrears						
Description of debt	From 1 to 30 days	From 31 to 60 days	From 61 to 90 days	From 91 to 365 days	Over 1 yr	TOTAL
	£M	£M	£M	£M	£M	£M
Leaseholders	0.000	0.000	0.000	0.000	0.001	0.001
Misc recoveries	0.000	0.000	0.000	0.001	0.003	0.004
Shops	0.013	0.005	0.000	0.006	0.008	0.032
Void recoveries	0.000	0.001	0.003	0.003	0.020	0.027
	<b>0.013</b>	<b>0.006</b>	<b>0.003</b>	<b>0.010</b>	<b>0.032</b>	<b>0.064</b>

39. Total tenant debt amounted to £0.950M compared to £1.111M at the end of February 2017. Current Tenant Arrears (CTA) are £0.437M or 1.37% (£0.601M or 1.89% at February) of the annual rent debit of £31.845M, against a target of 1.8%, whilst Former Tenant Arrears (FTA) are at 1.61% with a balance of £0.513M against a target of 1.5% (1.6% with a balance of £0.510M at February). £0.051M of tenant debt was written off in 2016/17. Housing Benefit payments account for 53.99% of the rent and service charge income received.
40. In light of welfare reform Housing Operations have implemented a pro-active approach to managing the impact on rent arrears. This includes early intervention, downsizing where necessary, increased contact with our residents, supporting tenants in making the right decisions regarding payment of rent and strong enforcement action when all other options have been exhausted.

41. Contacts with other Registered Providers of social housing have enabled us to benchmark, research good practice, and ensure genuine unrecoverable debts are presented for write off quarterly. This ensures the FTA officer is concentrating their time on cases with the highest probability of recovery. Since 2015 recovery of FTA debt has taken on a completely different approach from previous years as research has shown that the probability of recovery can actually increase with the age of the debt. For example, if a family is evicted from one of our properties it can take between 3 to 12 months for the family to resettle, enabling a trace to be made and thus the debt can be pursued.
42. Debt recovery plans may be put in place and take several years to settle. An affordable payment plan reviewed on a regular basis increases the probability of full recovery. Where contact is maintained, debt can be recovered up to 6 years after becoming an FTA, however where a period of 2 to 3 years has elapsed and no contact or trace has been possible the debt will be put forward for write off.
43. The current approach to FTA debt has resulted in recovery in the previous year exceeding £0.130M, compared to the previous two years total recovery not exceeding £0.020M. The service is confident with the current approach and anticipates further improvements in recovery rates.
44. There are currently £0.064M of non tenant arrears (£0.058M February), which comprises the following: rents at shops owned by the HRA, service charges and ground rent relating to leaseholders who purchased flats via the Right to Buy scheme, and property damage relating to existing and former tenants.

#### **PROMPT PAYMENT INDICATOR**

45. The performance target for payment to suppliers, where there is no dispute over the amount invoiced, is 90% of invoices paid within 30 days of invoice receipt date. The HRA performance for March was 96% of 238 invoices (97% of 172 invoices in February) paid on time. Work is ongoing to create 'end to end' system integration between SAP and the QL system, so as to improve performance overall. There is known as the Self Billing project, the aim being to automate (or minimise manual processes) to pay our invoices. This project is progressing well and has significantly improved timescales for making payment.

#### **HRA CAPITAL RECEIPTS**

46. New Right to Buy (RtB) discounts and proposals for re-investing the capital receipts came into effect from April 2012, which increased the maximum discount available to tenants from £0.034M to their current level of £0.078M.
47. During 2016/17, 79 RtB applications were received with 29 properties being sold, compared to 66 Applications and 33 sales over the same period in 2015/16, resulting in retained capital receipts of £2.552M. In addition the sale of

HRA land resulted in £0.031M.

48. At the end of 2016/17, the Council has a balance of £9.832M of usable capital receipts, before funding of the HRA capital programme (balance bought forward from 2015/16 £2.996M), of which £3.306M is reserved for investment in new social housing. The Council has entered into an agreement with the Secretary of State to invest these receipts in new social housing. The use of these receipts is restricted to schemes that do not receive Homes and Communities Agency (HCA) funding
49. The retained receipt from RtB sales can represent no more than 30% of the cost of the replacement properties. Since the agreement was signed in 2012, £4.126M has been spent on replacement properties up to 31 March 2017. The Council is committed to spend a further £11.022M on replacement properties by 31 March 2020. The HRA's Budget proposals for the period of the MTFP propose significant investment in new build (in excess of £11.8M by 31 March 2020).
50. Current projections suggest RtB sales will not have a negative impact on the Business Plan, particularly if the number of new build properties exceeds the properties sold. However if annual RtB sales were to make up a significant percentage of the Housing Stock, such that it diminished by 10% (equivalent to approximately 500 properties) or more over the period to 31 March 2020, then this would pose a threat to the surpluses predicted both in the medium and longer term. If additional sales continue to represent a small percentage of the Council's stock, there is a significant benefit as retained receipts will provide the Council with additional funds for reinvestment.
51. As at 1 April 2016 the balance of HRA Usable Capital receipts was £2.996M. The sale of apartments at Priory View has generated £4.253M of capital receipts. These funds will be available to fund further new build projects in the years to follow. RtB and land sales have generated a further £2.583M of receipts, making a subtotal of £9.832M. It is proposed to use £3.359M of usable receipts to part fund the Capital programme, so the balance carried forward is forecast to be £6.473M.

## **RESERVES**

52. The total reserves available as at year end 2015/16 were £19.452M, comprising £2.0M in HRA Balances, £9.004M in the Independent Living Development Reserve, £8.248M in the Strategic Reserve and £0.200M in the Major Repairs Reserve.
53. At its April 2017 meeting, Executive approved a proposal to use part of the balance in the Strategic Reserve to finance the transfer of the Havelock Road and Greenacre sites from the GF. The value of these sites is £1.575M, and it is proposed to fund this amount from the Strategic Reserve.

54. The provisional outturn position indicates a total balance on Reserves of £23.771M. HRA Balances are projected to remain at a contingency level of £2.000M, with the Independent Living Development Reserve increasing to £14.898M, the Strategic Reserve reducing to £6.673M, and the Major Repairs Reserve (MRR) remaining at £0.200M.
55. In total this equates to a outturn contribution to reserves for the year of £7.190M, offset by spend from reserves of £2.871M to result in a net increase of £4.319M.
56. An Investment Strategy has been formulated, that sets out proposals for the use of the reserves that are forecast to materialise in the short to medium term. This strategy is referred to in the HRA Budget Report that was approved by Council in February 2017, and continues to be refined as part of the Council's Medium Term Financial Plan.

**Table 5**

Description	Opening Balance 2016/17	Spend against reserves	Release of reserves	Proposed transfer to Reserves	Proposed Closing Balance 2016/17
	£000	£000	£000	£000	£000
HRA Balances	2,000	-	-	-	2,000
Independent Living Development Reserve	9,004	(1,296)	-	7,190	14,898
Strategic Reserve	8,248	(1,575)	-	-	6,673
Major Repairs (HRA)	200	-	-	-	200
	<b>19,452</b>	<b>(2,871)</b>	<b>-</b>	<b>7,190</b>	<b>23,771</b>

**Table 6**

Month: March 2017					
Director	Approved Budget	Provisional Outturn	Variance	Transfers to/(from) reserves	Variance after use of earmarked reserves
	£000	£000	£000	£000	£000
Assistant Director	17,815	19,003	1,188	-	1,188
Housing Operations	(24,374)	(24,614)	(240)	-	(240)
Repairs and Business Management	5,965	5,302	(663)	-	(663)
Financial Inclusion	487	228	(259)	-	(259)
Housing Investment	107	81	(26)	-	(26)
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>