

HRA Earmarked Reserves 2024/25

Appendix 2.2

Reserve	Desc	Reserve Narrative	Opening Reserve Balance 2024/25 £	Planned Reserve Use Q2 £
BS800 HRA Balance	HRA Reserve for General HRA use	The HRA Balance is the general purpose HRA reserve for absorbing risk and shocks to the overall HRA outturn. CIPFA guidance states it should be at least 5-10% of HRA turnover.	£4,156,492	
BS805 Capital Receipts	HRA reserve for capital regeneration	As part of HRA self-financed regeneration, the Capital reserve holds receipts that must be used for HRA new builds within a timeframe and depending on changing	£33,986,057	
BS806 Major Repairs Reserve	HRA reserved for capital outturns	The Major Repairs Reserve is a CIPFA/accountancy convention whereby HRA assets' depreciation cost becomes a reserve only to be used for funding HRA capital spends at year end. This reserve is usually at nil value because depreciation is circa £11m/annum and current HRA capital spends are in excess of this annually currently.	£0	
BS821 Housing Zones Funding	HRA revenue earmarked reserve for Housing Zones	As part of HRA self-financed regeneration, this earmarked reserve will be used for example for feasibility costs for developments that are works-in-progress and should not be capitalised. Directly related to outturns in outturns in HR010-Housing Development	£1,274,363	
BS823 Decant Reserve	HRA revenue earmarked reserve for Decant costs	As part of HRA self-financed regeneration including Blackshots and Teviots, this earmarked reserve will be used for example for tenant decant costs, leaseholder issues etc.	£5,144,308	£3,000,000
Total HRA Reserves 2024/25			£44,561,219	£3,000,000