



## The Housing Revenue Account (Accounting Practices) Directions 2011

The Secretary of State, as respects all local housing authorities in England, in exercise of the powers conferred by sections 78 and 87 of the Local Government and Housing Act 1989, after consulting such representatives of local government and relevant professional bodies as appears to be appropriate, directs as follows.

### Citation, application and interpretation

- 1 These directions shall be cited as the Housing Revenue Account (Accounting Practices) Directions 2011 and shall have effect in relation to the Housing Revenue Accounts of local housing authorities in England for financial years beginning on or after 1 April 2010.
- 2 Subject to paragraph 3 the Housing Revenue Account (Accounting Practices) Directions 2007 are hereby revoked.
- 3 The Housing Revenue Account (Accounting Practices) Directions 2007 shall continue to have effect in relation to the Housing Revenue Accounts of local housing authorities in England for financial years prior to the year beginning on 1 April 2010.
- 4 In these directions:  
  
    ‘an authority’ means a local housing authority in England  
  
    ‘the Guidance’ means the guidance entitled *Guidance for Valuers on Stock Valuation for Resource Accounting 2010* published by the Secretary of State in January 2011  
  
    ‘HRA’ means the Housing Revenue Account of an authority.

### HRA stock valuation

- 5 In carrying out a valuation of the land, houses and other property within the Housing Revenue Account of an authority, the proper practices to be followed are the practices set out in the Guidance.

## **INFORMATION TO BE DISCLOSED IN NOTES TO THE HOUSING REVENUE ACCOUNT**

6 An authority shall disclose the information set out in sub-paragraphs (1) to (8) below in notes to its HRA:

(1) the total balance sheet value of the land, houses and other property within the authority's HRA (valued in accordance with the Guidance) as at 1 April in the financial year, and the closing balance sheet value as at 31 March in the financial year of:

- a) Council dwellings
- b) Other land and buildings; and
- c) Vehicles, plant, furniture and equipment
- d) Infrastructure and community assets
- e) Assets under construction
- f) Surplus assets not held for sale
- g) Investment Properties
- h) Assets held for Sale

(2)

- a) the vacant possession value of dwellings within the authority's HRA (valued in accordance with the Guidance) as at 1 April in the financial year
- b) an explanation that the vacant possession value and balance sheet value of dwellings within the HRA show the economic cost to Government of providing council housing at less than market rents
- c) the value of, and an explanation of, any charge calculated in accordance with proper practices in respect of revenue expenditure funded from capital under statute (RECS) attributable to the HRA

(3) the value of, and an explanation of, any impairment charges for the financial year in respect of land, houses and other property within the authority's HRA, calculated in accordance with proper practices;

(4) a breakdown of the amount of HRA subsidy payable to the authority for the financial year in accordance with the elements set out in the general formula in paragraph 3.1 of the General Determination of Housing Revenue Account Subsidy for the year;

(5)

- a) a summary of total capital expenditure on land, houses and other property within the authority's HRA during the financial year, broken down according to the following sources of funding:
  - (i) borrowing
  - (ii) credit arrangements
  - (iii) capital receipts

- (iv) revenue contributions (i.e. the debit under Item 2 of Part II of Schedule 4 to the Local Government and Housing Act 1989)
  - (v) the Major Repairs Reserve
- b) a summary of total capital receipts from disposals of land, houses and other property within the authority's HRA during the financial year
- (6) an explanation of the capital asset charges accounting adjustment, calculated in accordance with the Item 8 Credit and Item 8 Debit (General) Determination for the year
- (7) The total charge for depreciation for the land, houses or other property within the authority's HRA, and the charges for depreciation for:
  - a) Council dwellings
  - b) Other land and buildings
  - c) Vehicles, plant, furniture and equipment
  - d) Infrastructure and community assets
  - e) Assets under construction
  - f) Surplus assets not held for sale
  - g) Investment Properties
  - h) Assets held for Sale

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For and on behalf of the Secretary of State  
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