

Appendix 1 – Forecast Outturn 2019/20 at Month 7

| Housing Revenue Account (HRA) TBM Forecast | 2020/21 |
|---|-----------------------------|
| | Forecast Outturn |
| Note | 1 |
| | £'000 |
| SUBJECTIVE ANALYSIS | |
| Expenditure | |
| Employees | 15,783 |
| Premises - Repairs | 3,941 |
| Premises - Other | 2,822 |
| Transport | 974 |
| Contribution to Bad Debt Provision | 609 |
| Supplies & Services | 2,609 |
| Support Services | 4,000 |
| Third Party Payments | 196 |
| Direct Revenue Funding | 23,683 |
| Capital Financing Costs | 6,144 |
| Total Expenditure | 60,761 |
| Income | |
| Rents Dwellings | (51,722) |
| Rents Car Parking / Garages | (885) |
| Commercial Rents | (620) |
| Service Charges | (7,942) |
| Other Recharges & Income | (452) |
| Total Income | (61,621) |
| DEFICIT / (SURPLUS) | (860) |
| OBJECTIVE ANALYSIS | |
| Housing Management & Support | (30) |
| Income, Inclusion & Improvement | (30) |
| Tenancy Services | 340 |
| Property & Investment | 255 |
| Repairs & Maintenance | (1,150) |
| Head of Regeneration | (135) |
| Capital Financing | (110) |
| DEFICIT / (SURPLUS) | (860) |

Appendix 1 – Forecast Outturn 2019/20 at Month 7

| HRA Forecast Outturn as at Month 7 – Significant Variances | £'000 |
|---|--------------|
| <p>COVID-19 restrictions have had a significant impact on the delivery of the programmed works for 2020/21. Procurement work is now progressing well and in the final stages for planned works and major works frameworks are set to go out to tender shortly. The proposal is to earmark £0.440m of this forecast underspend across the service, with a recommendation that any further underspending in the Repairs and Maintenance Service between now and the end of the financial year will be used to top-up this reserve, subject to business needs.</p> | (1,535) |
| <p>COVID-19 has delayed the implementation of new structures for the delivery of new housing as well as other underspends across the staffing structure. Offsetting these underspends is an increase in support provided to tenants in Tenancy Services due in part to COVID-19.</p> | (164) |
| <p>Significant reprofiling of HRA capital expenditure from 2019/20 into 2020/21 impacts on the timing of when borrowing is required to be undertaken to fund the expenditure. This has resulted in lower interest charges being incurred during 2020/21, compared to the original budget forecast.</p> | (110) |
| <p>Tenancy Services assist tenants to down-size or to move into more suitable or accessible accommodation. Each case takes time to complete and current expenditure levels indicate that the Transfer Incentive Scheme budget will be underspent by £0.070m.</p> | (70) |
| <p>It is estimated that there will be less rental income for Temporary Accommodation units in the HRA than expected due to delays to the completion of schemes to provide council owned TA and fewer home purchase properties being used for TA than budgeted. This is partly offset by more income for general needs and sheltered housing.</p> | 55 |
| <p>An overspend on the use of temporary accommodation for council housing tenants as well as an overspend on laundry costs where there has been a reduction in the collection of charges. These are offset by other minor underspends on supplies and services.</p> | 81 |
| <p>There has been additional spend against agency staff in the estates services team due to the increased cleaning requirements as a result of COVID-19. There has also been an increase in security costs at two central blocks of flats to ensure the safety of residents.</p> | 243 |
| <p>A lower than expected level of leasehold service charge is being forecast for major works in 2020/21. Due to the COVID-19 restrictions in place it has taken longer to complete or reach final account on one large major project and a couple of smaller projects. This has been offset by the projected income for annual service charges is slightly more than budget assumptions.</p> | 640 |
| TBM Month 7 Variance | (860) |