

HOUSING REVENUE ACCOUNT FORECAST KEY VARIANCES

Table 1 - High Level Revenue Summary to March 2020 Q4 (P12)

| Housing Revenue Account | | 2019/20 Budget | 2019/20 Outturn | Outturn Variance | Q3 Forecast Variance | Movement From Quarter 3 |
|---------------------------------|---------|-----------------|-----------------|------------------|----------------------|-------------------------|
| Revenue Summary | Service | £m | £m | £m | £m | £m |
| Service Director H+R | | 15.658 | 15.694 | 0.036 | 0.188 | (0.152) |
| Asset Management | | 12.483 | 12.507 | 0.024 | 0.265 | (0.241) |
| Sheltered Housing | | 1.724 | 1.632 | (0.093) | (0.025) | (0.068) |
| Housing Regeneration | | 0.871 | 0.936 | 0.065 | (0.053) | 0.118 |
| Housing Service Delivery | | 0.643 | 0.563 | (0.080) | (0.056) | (0.024) |
| Housing Operations | | 0.038 | 0.044 | 0.006 | (0.077) | 0.083 |
| Prevention + Access | | 0.477 | 0.564 | 0.088 | 0.146 | (0.058) |
| Neighbourhood Housing | | (49.663) | (50.364) | (0.701) | (0.391) | (0.310) |
| HRA Total | | (17.768) | (18.424) | (0.656) | (0.003) | (0.653) |
| Revenue Contribution to Capital | | 10.509 | 11.165 | 0.656 | 0.003 | 0.653 |
| Total HRA | | (7.259) | (7.259) | 0.000 | 0.000 | 0.000 |

Table 2 – High Level Variations

| Service Area | HRA | Responsible Officer | Michael Kelleher | Outturn Variance £m | (0.656m) |
|---|-----|---------------------|------------------|------------------------|----------|
| Key Variations: | | | | | |
| Service Director H+R Total - £0.036m | | | | | |
| <ul style="list-style-type: none"> • £0.310m - Increased depreciation (technical adjustment) from increase in value of housing stock, resulting in increased contribution to Major Repairs Reserve. • £0.014m – Overspends on utilities and business rates for NDR units. • (£0.152m) - Vacancy factor budget (£0.157m) offsetting £0.005m overspend on pay. • (£0.083m) – Underspends on Pension strain-(£0.046m), service user support-(£0.042m), offset by professional fees £0.005m. • (£0.055m) – Underspends on emergency flooding. | | | | | |
| Asset Management Total - £0.024m | | | | | |
| <ul style="list-style-type: none"> • (£0.216m) – Net pay underspends due to vacant posts. • £0.240m - Overspends on repairs due to high cost of responsive void works. | | | | | |
| Sheltered Housing Total - (£0.093m) | | | | | |
| <ul style="list-style-type: none"> • (£0.056m) - Relates to pay savings in Sheltered Housing due to vacant posts. • (£0.037m) – Underspends on repairs and maintenance. | | | | | |
| Housing Regeneration Total - £0.065m | | | | | |
| <ul style="list-style-type: none"> • £0.187m - Staffing overspends in HRA Regeneration of £0.042m in addition to consultancy costs £0.145m • (£0.122m) - Pay underspends in Housing Development Management due to unfilled posts (£0.200m) and underspends on professional fees (£0.100m), offset by £0.143m under recovery of capitalisation costs for housing management staff as well as consultancy costs-£0.035m. | | | | | |
| Housing Service Delivery Total - (£0.080m) | | | | | |
| <ul style="list-style-type: none"> • Vacancy underspends due to delayed recruitment as a result of pressures elsewhere in the service. | | | | | |
| Housing Operations Total - £0.006m | | | | | |
| <ul style="list-style-type: none"> • Minor pay overspends. | | | | | |

Prevention + Access Total - £0.088m

- **£0.028m** - Pay overspends on Homelessness Prevention as a result of change in salary split allocation for eight posts (10% salary costs charged to HRA).
- **£0.047m** - Pay overspends of £0.077m in the Housing Access service mainly due to change in split allocation since budget setting for 2019/20, removal expenses for downsizing and Buckland Lodge move of £0.028m, offset by contribution of (£0.056m) from Housing Neighbourhood Team to fund two "Options Assessment Officers".
- **£0.012m**- Licence for Prevention & Access teams- £0.009m and pay overspends-£0.003m.

Neighbourhood Housing Total - (£0.701m)

- **(£0.389m)** – Pay overspends in Income, HO + RTB team-£0.157m, offset by(£0.269m) in additional rent income due to increased number of new council housing at LHA-level rents as well as Service charges (£0.097m) and additional major works income (£0.175m).
- **(£0.312m)** – Net pay underspends on Tenancy Sustainment Team's budget in Neighbourhood Services (£0.258m), the neighbourhood service is working with adult social care colleagues to develop a cross service approach to sustaining tenancies and tackling hardship. Underspends in ASB team due to staff vacancies-(£0.104m) and garage management pending feasibility study, (£0.041m). £0.056m transferred to Housing Access Team to provide additional resource to ensure that applicants are tenancy ready and that support is in place to maximise the chance that their tenancy will be sustainable in light of the introduction of Universal Credit, £0.053m contribution to the Income team for three welfare support officers

| Service Area | HRA | Responsible Officer | Michael Kelleher | Outturn Movement from Q3 £m | (£0.653m) |
|---|-----|---------------------|------------------|--------------------------------|-----------|
| Key Variations: | | | | | |
| Service Director H+R Total – (£0.152m) | | | | | |
| <ul style="list-style-type: none"> • (£0.14m) - Vacancy Factor budget updated forecast. • (£0.083m) – Underspends on Pension strain-(£0.046m), service user support-(£0.042m), offset by professional fees £0.005m. • (£0.055m) – Underspends on emergency flooding. | | | | | |
| Asset Management Total – (£0.241m) | | | | | |
| <ul style="list-style-type: none"> • (£0.216m) – Net pay underspends due to vacant posts, includes HRA estate services. • (£0.025m) – Updated agency forecast. | | | | | |
| Sheltered Housing Total - (£0.068m) | | | | | |
| <ul style="list-style-type: none"> • (£0.029m) – Additional pay savings due to vacant posts. • (£0.037m) – Underspends on repairs and maintenance. | | | | | |
| Housing Regeneration Total - £0.118m | | | | | |
| <ul style="list-style-type: none"> • Additional consultancy costs. | | | | | |
| Housing Service Delivery Total - (£0.024m) | | | | | |
| <ul style="list-style-type: none"> • Additional pay underspends due to delayed recruitment as a result of pressures elsewhere in the. | | | | | |
| Housing Operations Total - £0.083m | | | | | |
| <ul style="list-style-type: none"> • ASB Team (HRA) moved to neighbourhood housing, hence moving savings of (£0.077m). | | | | | |
| Prevention + Access Total – (£0.058m) | | | | | |
| <ul style="list-style-type: none"> • Contribution from Housing Neighbourhood Team for 3 x "Options Assessment Officer" -(£0.056m) | | | | | |
| Neighbourhood Housing Total - (£0.310m) | | | | | |
| <ul style="list-style-type: none"> • (£0.175m) –Additional major works income (£0.175m). • (£0.104m)- ASB team underspends-moved in hierarchy from Head of Operations. • (£0.014m) – Revised contribution to Housing Access team for tenancy support work. | | | | | |