

## ANNEX C – HRA FORECAST KEY VARIANCES

Table 1 - High Level Revenue Summary to June 2020 P3

Housing Revenue Account	Year to Date				Forecast to Year End		
	2020/21 Budget to Date	2020/21 Actuals to Date	2020/21 YTD Variance	2020/21 Full Year Budget	Current Forecast to 31.03.21	Variance to Latest Forecast	
	£m	£m	£m	£m	£m	£m	
<b>Service</b>							
Service Director H+R Total	(1.553)	0.066	1.619	15.941	15.937	(0.004)	
Asset Management Total	3.093	2.944	(0.149)	12.850	12.767	(0.083)	
Sheltered Housing Total	0.436	0.305	(0.131)	1.800	1.755	(0.045)	
Housing Regeneration Total	0.448	0.318	(0.129)	2.027	1.593	(0.434)	
Housing Operations Total	(12.889)	(8.713)	4.176	(50.467)	(50.364)	0.103	
Prevention + Access Total	0.031	0.043	0.012	0.156	0.189	0.033	
Housing Allocations Total	0.108	0.132	0.025	0.545	0.668	0.123	
Learning & Development Total	0.009	0.003	(0.006)	0.036	0.036	(0.000)	
<b>HRA Total</b>	<b>(10.319)</b>	<b>(4.901)</b>	<b>5.417</b>	<b>(17.112)</b>	<b>(17.419)</b>	<b>(0.308)</b>	
Revenue Contribution to Capital	0	0	0	9.853	10.160	0.308	
<b>HRA Total</b>	<b>(10.319)</b>	<b>(4.901)</b>	<b>5.417</b>	<b>(7.259)</b>	<b>(7.259)</b>	<b>(0.000)</b>	

**Table 2 – High Level Variations**

Service Area	HRA	Responsible Officer	Michael Kelleher	Forecast Variance £m	(£0.308m)
<b>Key Variations:</b>					
<b>Asset Management Total – (£0.083m)</b>					
<ul style="list-style-type: none"> <li>• (£0.045m)- Underspend on salaries due to vacant post within Estate Services.</li> <li>• £0.010m- Forecast pay overspends in Asset Management based on current establishment and grades.</li> <li>• (£0.050m)- Forecast underspends on disrepair claims- (£0.020m) and fixtures and fittings- (£0.030m).</li> </ul>					
<b>Sheltered Housing Total - (£0.045m)</b>					
<ul style="list-style-type: none"> <li>• (£0.032m) Underspends due to recent reorganisation and efficiencies.</li> <li>• (£0.015m) Underspends due fire prevention equipment budget not fully utilised as some costs are now charged centrally.</li> </ul>					
<b>Housing Regeneration Total - (£0.434m)</b>					
<ul style="list-style-type: none"> <li>• (£0.069m)- Pay underspends based on current vacancies in HRA Housing Regeneration.</li> <li>• (£0.267m)- Underspend on salaries due to staffing vacancies (£0.114m), net of agency costs and Estate Renewal Management x 2 vacant posts (HP18 pressure for 2 x Estate renewal staff no yet recruited due to recruitment freeze)- (£0.154m).</li> <li>• (£0.100m)- Staffing underspends due to vacant posts under HRA Policy &amp; Strategy-(£0.052m) as well as contribution from Housing Allocations re CBL Project manager post -(£0.048m). New head of service joined in May 2020 and currently looking into recruitment options based on approval from Corporate Portfolio Board.</li> </ul>					
<b>Housing Operations Total - £0.103m</b>					
<ul style="list-style-type: none"> <li>• (£0.027m)-Underspends on salary budget under Head of Housing Operations due to consolidation of budgets from Head of Service Neighbourhoods.</li> <li>• £0.520m-Net Additional income from full effect of acquisition of new stock in past years (and this year) adding to rental stream-(£0.730m) and net pay underspends under the income team- (£0.015m) due to vacancy, offsetting rent lost from decommissioning of Buckland and rent lost from higher voids due to Covid 19- £0.403m. Fall in utility recharges raised due to decrease in utility prices- £0.044m and estimated increase in tenant rents bad debt due to impact of Covid 19 and UC -£0.800m.</li> <li>• (£0.392m)-Pay underspends due to vacant posts. Approval to recruit to the Neighbourhood officer, Neighbourhood team leader, and Income team leader posts already granted by CPB, the service we will also be applying to CPB to recruit to PSH office &amp; empty homes officer posts.</li> </ul>					

**Prevention + Access Total - £0.033m**

- Overspends due to amended % split on additional posts added in 19/20, mitigated to some extent by 2 FTE vacancies, not expected to be filled until Sept.

**Housing Allocations Total - £0.123m**

- **£0.080m** £0.080m relates to salary overspends due to additional post and % split changed from GF to HRA.
- **£0.043m** - contribution to Service Delivery Unit HRA for CBL Project Manager Post-£0.047m, offset by underspends on telephone costs- (£0.004m).