

HRA FORECAST KEY VARIANCES

Table 1 - High Level Revenue Summary to December 2019 Q3 (P9)

Housing Revenue Account Revenue Summary	Year to Date			Forecast to Year End			Movement	
	2019/20 Budget to Date	2019/20 Actuals to Date	2019/20 YTD Variance	2019/20 Full Year Budget	Current Forecast to 31.03.20	Variance to Latest Forecast	Quarter 2 Forecast Variance	Movement From Quarter 2
Service	£m	£m	£m	£m	£m	£m	£m	£m
Service Director H+R Total	(6.692)	(6.815)	(0.122)	15.658	15.846	0.188	0.187	0.001
Asset Management Total	8.099	8.797	0.698	10.915	11.180	0.265	0.225	0.040
Sheltered Housing Total	1.292	0.871	(0.421)	1.724	1.699	(0.025)	(0.025)	0.000
Housing Regeneration Total	0.744	0.308	(0.436)	1.021	0.968	(0.053)	(0.167)	0.114
Housing Service Delivery Total	0.400	0.331	(0.069)	0.643	0.587	(0.056)	(0.046)	(0.010)
Housing Communities Total	0.331	0.236	(0.095)	0.613	0.536	(0.077)	(0.086)	0.009
Prevention + Access Total	0.312	0.607	0.296	0.477	0.623	0.146	0.130	0.016
Neighbourhood Housing Total	(37.347)	(34.275)	3.072	(48.819)	(49.210)	(0.391)	(0.435)	0.044
HRA Total	(32.863)	(29.940)	2.923	(17.768)	(17.772)	(0.003)	(0.218)	0.215
Revenue Contribution to Capital	0	0	0	10.509	10.513	0.003	0.218	(0.215)
HRA Total	(32.863)	(29.940)	2.923	(7.259)	(7.259)	0.000	0.000	0.000

Table 2 – High Level Variations

Service Area	HRA	Responsible Officer	Michael Kelleher	Forecast Variance £m	£0.003m
<p>Key Variations:</p> <p>Service Director H+R Total - £0.188m</p> <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. • (£0.135m) - Vacancy Factor budget (£0.157m) offsetting £0.022m overspend on pay. <p>Asset Management Total - £0.265m</p> <ul style="list-style-type: none"> • £0.025m - Agency staff costs £0.047m offset by pay underspends (£0.022m) due to recruitment lag. • £0.240m - Overspends on repairs due to high cost of responsive void works. <p>Sheltered Housing Total - (£0.025m)</p> <ul style="list-style-type: none"> • (£0.025m) - Relates to pay savings in Sheltered Housing due to vacant posts. <p>Housing Regeneration Total - (£0.053m)</p> <ul style="list-style-type: none"> • £0.046m - Staffing Overspends, net of agency and Consultancy costs £0.034m as well as Porta-cabin design costs for Fullers Slade £0.012m (no budget). • (£0.102m) - Pay underspends in Housing Development Management due to unfilled posts (£0.187m) offset by £0.085m under recovery of capitalisation costs for housing management staff. <p>Housing Service Delivery Total - (£0.056m)</p> <ul style="list-style-type: none"> • Vacancy underspends - One vacant post on hold due to budget pressures elsewhere in the service. <p>Housing Communities Total - (£0.077m)</p> <ul style="list-style-type: none"> • Pay underspends in HRA Community Cohesion due to vacant posts (£0.083m); offset by pay overspends in Head of Communities - £0.006m. <p>Prevention + Access Total - £0.146m</p> <ul style="list-style-type: none"> • £0.034m - Pay overspends on Homelessness Prevention as a result of 8 additional posts (10% salary costs charged to HRA) £0.014m and agency costs of £0.020m. • £0.100m - Net Pay overspend of £0.145m in the Housing Access service mainly due to change in split allocation since budget setting 					

for 2019/20, removal expenses for downsizing & Buckland lodge move of £0.024m, offset by contribution of (£0.067m) from Housing Neighbourhood Team to fund two “Options Assessment Officers”.

Neighbourhood Housing Total - (£0.391m)

- **(£0.172m)** - Forecast underspend in Income, HO + RTB team made up of (£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), offset by pay overspends £0.107m (8 additional posts in Income, HO + RTB team, with the remainder attributed to actual grades being higher than budget grades for staff retention), Annual licence (No budget for Rentsense software) £0.059m & Bad Debts Provision contribution £0.028m.
- **(£0.242m)** - Underspends on Tenancy Sustainment Team's budget in Neighbourhood Services (£0.367m), the neighbourhood service is working with adult social care colleagues to develop a cross service approach to sustaining tenancies and tackling hardship. £0.067m 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, £0.058m contribution to the Income team for three welfare support officers.

Service Area	HRA	Responsible Officer	Michael Kelleher	Forecast Movement from Q2 £m	(£0.215m)
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Key Variations:

Asset Management Total - £0.040m

- Overspends on repairs due to high cost of responsive void works.

Housing Regeneration Total - £0.114m

- Vacancy savings due to recruitment lag; offset by agency and Consultancy costs.

Neighbourhood Housing Total - £0.044m

- **£0.058m** - Forecast contribution to the income team for three welfare support officers.