

**SUMMARY HEADLINES**

**1. Overall Position and Movement**

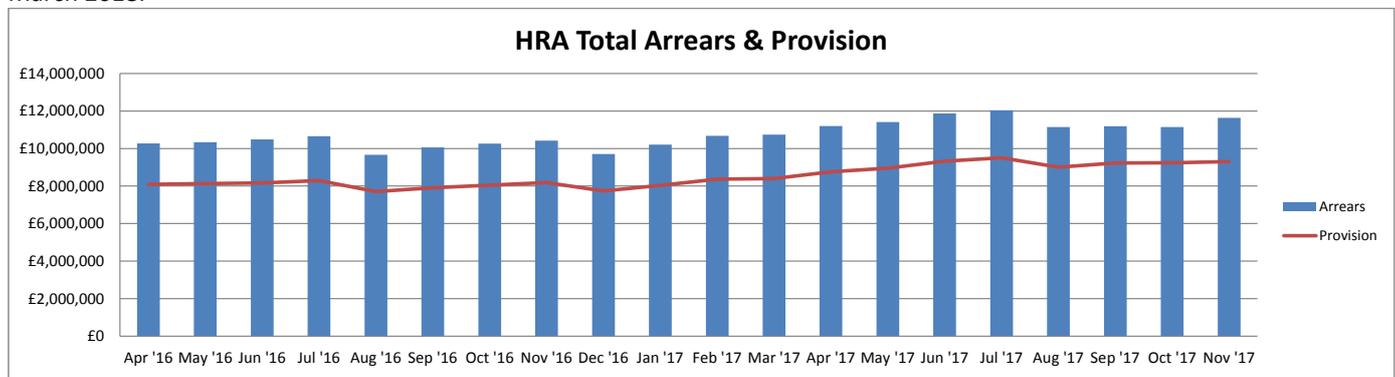
| Forecast 2017 / 18 - Underspend -£9.4m |      |      |      |      |      |      |      |      |      |     |     |
|--|------|------|------|------|------|------|------|------|------|-----|-----|
| Revised Budget<br>£0m                  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Jan  | Feb | Mar |
|  | -0.9 | -1.2 | -1.3 | -1.3 | -8.9 | -8.4 | -8.5 | -8.9 | -9.4 |     |     |
|  | ▼    | ▼    | ▼    | ▲    | ▼    | ▲    | ▼    | ▼    | ▼    |     |     |

**2. HRA Income & Expenditure Position**

|   | 2017/18<br>Budget<br>£'m | Forecast<br>Outturn<br>P10<br>£'m | Variance<br>£'m |
|---|--------------------------|-----------------------------------|-----------------|
| <b>Income</b>                               | -121.3                   | -121.6                            | -0.3            |
| <b>Repairs &amp; Maintenance</b>            | 31.7                     | 30.2                              | -1.5            |
| <b>Supervision &amp; Management</b>         | 25.9                     | 27                                | 1.1             |
| <b>Special Services (Rechargeable)</b>      | 8.4                      | 8.8                               | 0.4             |
| <b>Rents, Rates &amp; Taxes</b>             | 1.9                      | 1.9                               | 0               |
| <b>Interest, Depn &amp; Capital Charges</b> | 53.9                     | 46.3                              | -7.6            |
| <b>Funding from Reserves</b>                | -0.4                     | -1.9                              | -1.5            |
| <b>Total Surplus on the HRA</b>             | <b>0.1</b>               | <b>-9.3</b>                       | <b>-9.4</b>     |

The **Housing Revenue Account** is forecasting a surplus for the year of £9.3m at P10 an increase of £0.5m on P9. The forecast financial position is mostly as a consequence of slippage in the capital programme funded from revenue (£7.6m), details below in the capital section, and a forecast underspend in Repairs & Maintenance (£1.3m). The underspend in R&M is mostly due to the change of life cycle for the paint programme from 7 to 10 years, and saving in repairs work due to regular servicing of items such as lifts. There is an expected draw down from reserves of £1.9m to offset the forecast in year costs of implementing the replacement housing management system. The £0.5m change from month 9 is mainly due to an increase in the forecast for rent.

**3. Debt** The HRA currently has rental arrears of £11.6m and a provision of £9.3m (80%). The arrears have increased throughout the year as a result of various factors relating to welfare reform. The rent arrears policy is being reviewed to support a clear RENT FIRST message to tenants and a further impact assessment is underway for Universal Credit roll out from March 2018.



## Capital Budget Monitor Report for Period 201710 - Gross Expenditure per Service & Scheme

### Division: Housing Services Capital - Housing Revenue Account

| Gross expenditure by *Programme & Scheme | Current Year (2017)                         |                     |               |               |                     |            | Scheme Total for Current Timeframe (FY2016 : FY2021) |                           |               |  |  |   | Performance to budget |            |            |            |
|--|---|---------------------|---------------|---------------|---------------------|------------|--|---------------------------|---------------|--|--|---|-----------------------|------------|------------|------------|
|  | Budget                                      | Expenditure to Date | Forecast      | Variance      | Expenditure to date | Forecast   | Budget   | Total Expenditure to Date | Commitments   | Variance Total scheme budget vs actual + commitments | Forecast (including prior years actuals) | Variance Total scheme budget vs total scheme forecast | Expenditure to date   | Forecast   |            |            |
|  | £000s                                       |                     |               |               |                     |            | £000s  |                           |               |  |  |   | %                     |            |            |            |
| 13612                                    | Capital - Professional Charges - Planned    | 1,541               | 0             | 1,541         | 0                   | 0%         | 100%   | 2,294                     | 752           | 0  | (1,541)                                  | 2,294   | 0                     | 33%        | 33%        | 100%       |
| 13613                                    | Capital - Professional Charges - SP&G       | 1,025               | 0             | 1,025         | (0)                 | 0%         | 100%   | 1,374                     | 349           | 0  | (1,025)                                  | 1,374   | (0)                   | 25%        | 25%        | 100%       |
| 13614                                    | Capital - Capitalised Works                 | 3,985               | 2,356         | 3,985         | 0                   | 59%        | 100%   | 4,570                     | 2,941         | 1  | (1,629)                                  | 4,570   | (0)                   | 64%        | 64%        | 100%       |
| 13615                                    | Capital - Disabled Adaptations              | 2,530               | 1,855         | 2,530         | (0)                 | 73%        | 100%   | 5,286                     | 4,611         | 11   | (664)                                    | 5,286   | (0)                   | 87%        | 87%        | 100%       |
| 13616                                    | Capital - Investment in Blocks - Planned    | 5,307               | 2,980         | 5,017         | (289)               | 56%        | 95%  | 25,275                    | 22,948        | 33   | (2,293)                                  | 24,986  | (289)                 | 91%        | 91%        | 95%        |
| 13617                                    | Capital - Investment in Blocks - SP&G       | 0                   | 0             | 0             | 0                   | 0%         | 100%   | 22                        | 22            | 0  | 0  | 22  | 0                     | 100%       | 100%       | 100%       |
| 13618                                    | Capital - Miscellaneous Schemes             | 306                 | 34            | 306           | 0                   | 11%        | 100%   | 475                       | 203           | 1  | (271)                                    | 475   | 0                     | 43%        | 43%        | 100%       |
| 13619                                    | Capital - Neighbourhood Investment Projects | 600                 | 107           | 600           | 0                   | 18%        | 100%   | 1,231                     | 738           | 0  | (493)                                    | 1,231   | 0                     | 60%        | 60%        | 100%       |
| 13620                                    | Capital - New Build / Land Enabling Works   | 7,225               | 4,596         | 6,725         | (500)               | 64%        | 93%  | 16,297                    | 13,669        | 4,685  | 2,056                                    | 15,797  | (500)                 | 84%        | 113%       | 97%        |
| 13621                                    | Capital - Planned Programme                 | 11,831              | 8,621         | 11,811        | (20)                | 73%        | 100%   | 247,250                   | 23,040        | 660  | (223,550)                                | 205,930   | (41,320)              | 9%         | 10%        | 83%        |
| 13622                                    | Capital - Priority Stock                    | 0                   | 0             | 0             | 0                   | 0%         | 100%   | 44                        | 44            | 0  | 0  | 44  | 0                     | 100%       | 100%       | 100%       |
| <b>HRA1</b>                              | <b>Housing Revenue Account (HRA)</b>        | <b>34,350</b>       | <b>20,549</b> | <b>33,541</b> | <b>(809)</b>        | <b>60%</b> | <b>98%</b>   | <b>304,118</b>            | <b>69,317</b> | <b>5,391</b>   | <b>(229,410)</b>                         | <b>262,009</b>  | <b>(42,109)</b>       | <b>23%</b> | <b>25%</b> | <b>86%</b> |

The HRA Capital Programme is forecasting a £0.8m underspend based on the revised budget of £35.4m due to: an £0.2m slippage in this year on replacement of lifts due to contractual issues, and a further reduction of £0.5m in New Build programme due to delays in procurement.