

SUMMARY HEADLINES

1. Overall Position and Movement

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

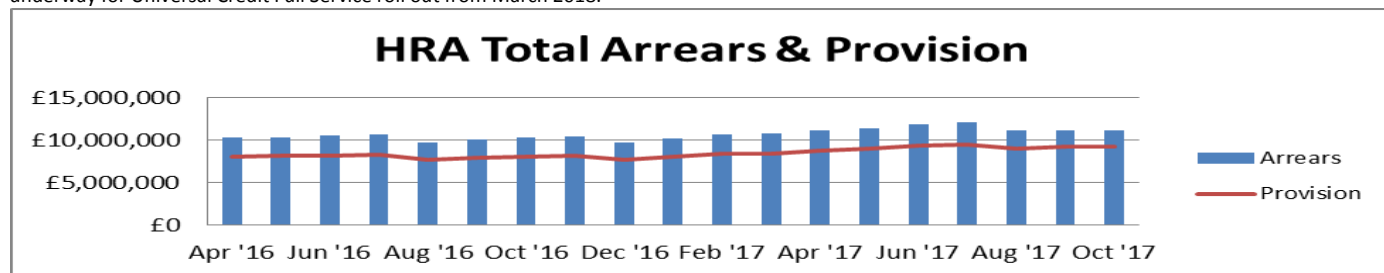
2. HRA Income & Expenditure Position

	2017/18 Budget	Forecast Outturn P7	Variance
	£m	£m	£m
Income	-121.3	-121.2	0.1
Repairs & Maintenance	31.7	30.7	-1.0
Supervision & Management	25.9	26.9	1.0
Caretaking & Communal Services	8.4	8.9	0.5
Rents, Rates & Taxes	1.9	1.9	0
Interest, Depn & Capital Charges	53.9	46.3	-7.6
Funding from Reserves	0	-1.9	-1.9
Total Surplus on the HRA	0.5	-8.4	-8.9

The HRA revenue account is showing a surplus for the year of £8.4m which is mostly as a consequence of slippage in the capital programme funded from revenue (£7.6m) and a forecast underspend in **Repairs & Maintenance** (£1m) mostly due to the change of life cycle for the paint programme from 7 to 10 years. 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.

3. Debt

The HRA currently has rental arrears of £11.14m and a provision of £9.2m (83%). 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 Full Service roll out from March 2018.



4. Capital Programme

Gross expenditure by *Programme & Scheme	Current Year (2017)				Performance to budget		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	Expenditure + committed 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	4,248	1,407	3,985	(263)	33%	94%	4,833	1,992	1	(2,840)	4,570	(263)	41%	41%	95%
13615 Capital - Disabled Adaptations	1,854	1,254	2,530	676	68%	136%	4,610	4,010	25	(575)	5,286	676	87%	88%	115%
13616 Capital - Investment in Blocks - Planned	10,075	2,218	5,197	(4,878)	22%	52%	30,043	22,186	65	(7,792)	25,165	(4,878)	74%	74%	84%
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	26	306	0	8%	100%	475	195	2	(279)	475	0	41%	41%	100%
13619 Capital - Neighbourhood Investment Projects	600	52	600	0	9%	100%	1,231	683	0	(548)	1,231	0	55%	55%	100%
13620 Capital - New Build / Land Enabling Works	8,275	4,117	7,525	(750)	50%	91%	17,347	13,190	2,076	(2,082)	16,597	(750)	76%	88%	96%
13621 Capital - Planned Programme	14,151	4,802	11,882	(2,269)	34%	84%	208,270	19,221	914	(188,135)	206,001	(2,269)	9%	10%	99%
13622 Capital - Priority Stock	0	0	0	0	0%	100%	44	44	0	0	44	0	100%	100%	100%
HRA1 Housing Revenue Account (HRA)	42,076	13,876	34,591	(7,484)	33%	82%	270,544	62,644	3,082	(204,817)	263,060	(7,484)	23%	24%	97%

The HRA Capital Programme is forecasting a £7.5m underspend. This is due to an underspend in Investment in Blocks of £5m, where planned investment on some blocks is on hold pending following Grenfell and further investment appraisals. Investment in New Build is £0.8m underspend. There are 2 sites where there have been issues with planning, and getting the site cleared prior to being able to start the work. Investment in Planned Programmes is forecasting a £2m underspend. This is due to a £0.4m slippage in the roofing programme following issues regarding the tendering process, and £1.6m relating to delays in the major repairs programme which is also awaiting outcomes from Grenfell and a further decisions in investment. In addition, this month there has been an increase on disabled adaption work of £0.4m but a reduction of £0.2m on the kitchen programme due to lower costs.