

a: 2018/19 Summary Headlines

	Revised Budget	Forecast Outturn	Outturn Variance
P9	£0m	(£6.3m)	(£6.3m)
P10	£0m	(£9.7m)	(£9.7m)

b: Budget Monitor

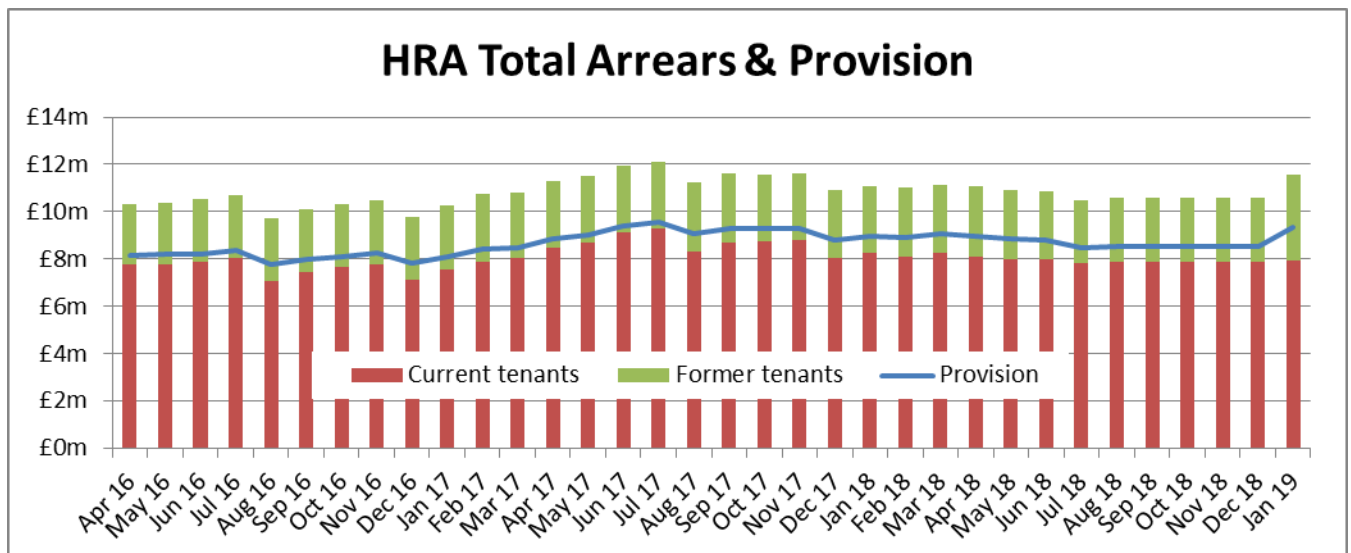
1. Overall Position and Movement

Forecast Outturn Variance 2018/19											
£m											
Revised budget £0m	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	(1.7)	(1.5)	(2.8)	(2.5)	(3.7)	(4.4)	(5.7)	(6.3)	(9.7)		
	▼	▲	▼	▲	▼	▼	▼	▼	▼		

2. Revenue Position

Revenue position by category	2018/19 Revised Budget £m	Forecast Outturn P10 £m	Forecast Outturn P9 £m	Forecast Variance P10 £m	Move in Forecast since P9 £m
Income	-119.909	-121.036	-121.395	-1.127	0.359
Repairs & Maintenance	32.092	29.122	28.637	0.485	0.485
Supervision & Management	27.408	26.561	27.143	-0.582	-0.582
Special Services (Rechargeable)	8.555	7.718	7.753	-0.035	-0.035
Rents, Rates, Taxes and other charges	1.874	1.387	1.579	-0.192	-0.192
Depreciation, Revenue funded Capital, Interest payable, and Bad Debt Provision	49.980	46.530	49.980	-3.450	-3.450
(Surplus)/Deficit on the HRA	0.000	-9.718	-6.303	-3.415	-3.415

3. Debt Position No major variance to budgeted provision requirement following review of Civica figures



4. Key Messages

Overall a surplus of £9.7m forecast at P10 an increased surplus by £3.450m compared to P9.

The arrears provision has now been reviewed following Civica implementation and the forecast is slightly reduced.

The cost of council tax on empty properties has been reviewed and the forecast is reduced by £500k.

The main change in the forecast is reduced capital financing costs (by £2.831m) following the revision of the capital programme mid-year.

c: Risks and Opportunities

Risk	Key Causes	Key Consequence	Key Mitigations
Implementation of Universal Credit	Risk deferred as roll out delayed by Government		
Impact of Grenfell enquiry outcomes	Additional works as a result of Grenfell enquiry outcomes, or the outcomes of independent fire safety checks on clad blocks; public /political pressure to install sprinklers.	It is not likely this risk will impact on the 2018/19 forecast	Need to retain flexibility in capital programme to meet outcomes of Grenfell enquiry that does not result in disruption to the rest of the programme.
Repayment of Right to Buy Receipts	Lack of any forward plan to use RTB receipts	Loss of funding to support capital investment in new stock	Develop a forward programme to utilise RTB receipts thereby reducing the amount to be repaid. This responsibility is shared with the Housing Delivery Team as they are responsible for new build.

d: Capital

Approved Budget	Revised Budget	Expenditure to Date	Forecast Outturn	Outturn Variance
£39.2m	£37.1m	£25.0m	£34.3m	(£2.9m)
		67% of budget	92% of revised budget	
P9 2017/18 figures	Budget £42m	Expenditure £18m (43%)	Forecast £34m	Outturn £33m
P10 2017/18 figures	Budget £34m	Expenditure £21m ((62%)	Forecast £34m	Outturn £33m

HRA CAPITAL FORECAST REPORT

		PERIOD 9			PERIOD 10		
Gross expenditure by *Programme & Scheme		Budget	Forecast	Variance	Budget	Forecast	Variance
13612	Capital - Professional Charges - Planned	752	1,613	861	1,613	1,613	0
13613	Capital - Professional Charges - SP&G	801	801	0	801	801	0
13614	Capital - Capitalised Works	3,840	3,664	(176)	3,843	3,510	(333)
13615	Capital - Disabled Adaptations	2,164	2,064	(100)	2,164	2,064	(100)
13616	Capital - Investment In Blocks - Planned	7,515	6,055	(1,459)	7,186	5,395	(1,791)
13618	Capital - Miscellaneous Schemes	206	206	0	206	1	(205)
13619	Capital - Neighbourhood Investment Projects	600	600	0	600	600	0
13620	Capital - New Build / Land Enabling Works	12,175	12,120	(55)	12,175	12,050	(125)
13621	Capital - Planned Programme	10,055	9,595	(460)	9,855	9,599	(256)
14595	Capital: New Housing Management System	1,100	1,100	0	1,100	1,048	(52)
14595	Capital - Planned Other	0	0	0	0	0	0
15258	Capital - Planned Other	0	0	0	0	0	0

Reasons for Variances:

There are some delays in projects that will now be undertaken in future years in accordance with the 30-year HRA business plan.

Efficient procurement has achieved savings on major works tenders.