

## **HOUSING REVENUE ACCOUNT FORECAST OUTTURN POSITION FOR 2020/21**

The Housing Revenue Account (HRA) is currently forecast to **overspend** by **£0.27M** at year-end on business as usual activities, a **£0.81M** adverse movement from the position reported at July 2020.

In addition, **£1.29M** of pressures arising from the COVID-19 pandemic are forecast for the year.

	<b>Budget Sept 2020 £M</b>	<b>BAU* Annual Forecast Sept 2020 £M</b>	<b>BAU* Forecast Variance Sept 2020 £M</b>	<b>BAU* Forecast Variance July 2020 £M</b>	<b>BAU* Variance Movement from July 2020 £M</b>
<b>Expenditure</b>					
Responsive repairs	13.26	14.58	1.32 A	0.00	1.32 A
Housing investment	5.19	4.39	0.80 F	0.40 F	0.40 F
Rents payable	0.10	0.10	0.00	0.00	0.00
Debt management	0.09	0.09	0.00	0.00	0.00
Supervision & management	22.52	22.32	0.20 F	0.08 F	0.12 F
Interest & principal repayments	5.09	5.09	0.00	0.00	0.00
Depreciation	20.47	20.47	0.00	0.00	0.00
Direct revenue financing of capital	8.89	8.89	0.00	0.00	0.00
<b>Total Expenditure</b>	<b>75.60</b>	<b>75.93</b>	<b>0.32 A</b>	<b>0.48 F</b>	<b>0.80 A</b>
<b>Income</b>					
Dwelling rents	(70.24)	(70.29)	0.05 F	0.06 F	0.01 A
Other rents	(1.22)	(1.22)	0.00	0.00	0.00
Service charge income	(3.25)	(3.25)	0.00	0.00	0.00
Leaseholder service charges	(0.88)	(0.88)	0.00	0.00	0.00
Interest received	(0.01)	(0.01)	0.00	0.00	0.00
<b>Total Income</b>	<b>(75.60)</b>	<b>(75.66)</b>	<b>0.05 F</b>	<b>0.06 F</b>	<b>0.01 A</b>
<b>(SURPLUS)/DEFICIT</b>	<b>0.00</b>	<b>0.27</b>	<b>0.27 A</b>	<b>0.54 F</b>	<b>0.81 A</b>

NB Numbers are rounded

\*Business as usual

**The SIGNIFICANT business as usual movements between July and September 2020 for the Portfolio are:**

Service Area	Movement in BAU Forecast Variance Between July and Sept 2020 £M	Explanation
Responsive Repairs	1.32 A	Changes to working practices due to COVID-19, and problems with property access have led to fewer jobs including capital works being completed, and correspondingly lower income to the trading operation. In addition, the inability to fully recover overheads from internal jobs has resulted in lower income.
Cyclical Maintenance	0.39 F	Continuing problems with property access and variations in working practices due to COVID-19 have resulted in a substantial month 6 underspend which is forecast to continue for the rest of the year.

A summary of the Portfolio COVID-19 pressures and movement since July 2020 is shown in the table below:

Service Area	COVID-19 Pressures Sept 20 £M	COVID-19 Pressures July 20 £M	COVID-19 Pressures Movement from July 20 £M
Supervision & Management	1.25 A	1.25 A	0.00
Dwelling Rents	0.04 A	0.04 A	0.00
<b>Total</b>	<b>1.29 A</b>	<b>1.29 A</b>	<b>0.00</b>

**The are no SIGNIFICANT COVID-19 pressures movements between July and September 2020.**