

APPENDIX I

Housing revenue Account Revenue Budget Revised Approved Budget for 2020/21: -£1.788 million

Period 3 Forecast: **Net Underspend of £0.233 million**

The position to date:

1. The HRA is currently forecasting an under spend of £0.233 million against the revised emergency budget for 2020/21. The variations reported at Quarter 1 are explained below, with a summary position for each Service Directorate. This includes any changes in the impacts from the corona virus, from what was originally initially estimated within the revised emergency budget approved in July 2020.

Total Department	Variations at Quarter 1 £'000		Change to date £'000
	Expenditure Changes	Income Changes	
+ = overspend or income shortfall - = saving or income increase			
Corona Virus Impacts	0	150	150
Other Budget Pressures	-222	-161	-383
Total Variations	-222	-11	-233

Housing Directorate – Summary & Context

2. The main budget pressures reported for the directorate relate to
 - a. Concierge Service - An underspend due to vacant concierge posts (£0.225m) offset by the use of a private security company to provide the concierge service (£0.165m)
 - b. Non-dwelling rents – increase in rents form garages (£0.117m), shops (£0.026m) and other premises
 - c. Dwelling Rents – a reduction in rent income due to Covid-19 (£0.15m). This mainly relates to Sheltered Accommodation where there has been an increase in the level of void properties due to the increased risk. This has been partly offset by additional rent expected from the Birdsfoot Lane development
 - d. Sheltered Accommodation – there are staff vacancies which will provide an underspend of £0.13m

The high level breakdown includes:

+ = overspend or income shortfall / - = saving or income increase

Variations at Quarter 1 £'000			

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Service Area(s) & Activity	Expenditure Changes	Income Changes	Change to date £'000	Reason(s) for Variation
Concierge Service	-60		-60	Vacant posts
Dwelling rents		101	101	Loss of rent due to Covid-19 offset by income from new development
Non-dwelling rents		-152	-152	Increased rent income from garages shops and dental practice
Sheltered Accommodation	-130		-130	
Other variations across the directorate	-32	40	8	Minor variations across service
Total Variations	-222	-11	-233	

Recovery Actions or Mitigation for the Department:

3. There is no recovery action or mitigation required. However, any potential longer term implications of Covid-19 on rent collection levels will need close monitoring.