

## Annexe 1.5

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

	<b>Budget July 2020</b>	<b>BAU* Annual Forecast as at July 2020</b>	<b>BAU* Forecast Variance July 2020</b>	<b>COVID-19 Forecast Pressures July 2020</b>
	<b>£M</b>	<b>£M</b>	<b>£M</b>	<b>£M</b>
<b>Expenditure</b>				
Responsive repairs	13.26	13.26	0.00	0.00
Housing investment	5.19	4.79	0.40 F	0.00
Rents payable	0.10	0.10	0.00	0.00
Debt management	0.09	0.09	0.00	0.00
Supervision & management	22.52	22.43	0.08 F	1.25 A
Interest & principal repayments	5.09	5.09	0.00	0.00
Depreciation	20.47	20.47	0.00	0.00
Direct revenue financing of capital	8.89	8.89	0.00	0.00
<b>Total Expenditure</b>	<b>75.60</b>	<b>75.12</b>	<b>0.48 F</b>	<b>1.25 A</b>
<b>Income</b>				
Dwelling rents	(70.24)	(70.30)	0.06 F	0.04 A
Other rents	(1.22)	(1.22)	0.00	0.00
Service charge income	(3.25)	(3.25)	0.00	0.00
Leaseholder service charges	(0.88)	(0.88)	0.00	0.00
Interest received	(0.01)	(0.01)	0.00	0.00
<b>Total Income</b>	<b>(75.60)</b>	<b>(75.66)</b>	<b>0.06 F</b>	<b>0.04 A</b>
<b>(SURPLUS)/DEFICIT</b>	<b>0.00</b>	<b>(0.54)</b>	<b>0.54 F</b>	<b>1.29 A</b>

NB Numbers are rounded

\*Business as usual

**The SIGNIFICANT business as usual issues for the HRA are:**

Service Area	BAU Forecast Variance July 2020 £M	Explanation
Housing investment (Cyclical Maintenance)	0.40 F	Based on the cyclical maintenance 2019/20 outturn favourable variance of £0.70M, and taking into account a slow start to works in the current year in part due to COVID-19, a forecast estimate has been made that Cyclical Maintenance will be underspent by £0.40M.

**The SIGNIFICANT COVID pressures for the HRA are:**

Service Area	COVID Forecast Pressures July 2020 £M	Explanation
Supervision & Management	1.25 A	<p>Due to COVID-19 there is estimated to be increases in arrears for residential / commercial rent &amp; service charges which is represented by an increase in provision for bad debts amounting to £1.10M. This will continue to be monitored throughout the COVID-19 crisis period as the likelihood of debt recovery will be largely dependent on the aftermath of the lockdown period and the subsequent economic impact on jobs and tenant finances.</p> <p>In addition, extra Personal Protective Equipment for HRA staff is expected to be required, at a cost of £0.15M.</p>