

London Borough of Enfield

Cabinet

Meeting Date: 6th July 2022

Subject: **Housing Revenue Account (HRA) Outturn Report 2021/22**

Cabinet Member: **Councillor Tim Leaver (Finance & Procurement)**
Councillor George Savva (Social Housing)

Executive Director: **Fay Hammond, Executive Director - Resources**

Key Decision: **KD5467**

Purpose of Report

1. This report reports the ring-fenced Housing Revenue Account income and expenditure in the financial year 2021/22 and compares it to the planned budget for the year. The Housing Revenue Account is a ring-fenced account where all the costs and income related to council housing are recorded. This report includes both revenue and capital expenditure within the Housing Revenue Account.

Proposals

2. Cabinet is asked to note this report.

Executive Summary

3. The HRA is achieving the Council's objectives through the development of new affordable homes, providing good homes in well-connected neighbourhoods, improving existing housing stock to create a lifetime of opportunities in Enfield, and sustaining strong and healthy communities.
4. The purpose of the report is to provide an overview of the financial performance of the Housing Revenue Account (HRA) Capital and Revenue programme during 2021/22.
5. This report sets out the Council's revenue expenditure (up to 31 March) compared to the budget; this is called the "outturn" (a local government phrase which means the total net expenditure for the financial year). This is a ring-fenced budget which includes all operating income (e.g. housing rent) and costs (e.g. housing officers, grounds or lift maintenance of housing estates or block cleaning) for Council housing.

6. In 2021/22, the HRA planned to spend £67.7m revenue funded by £67.7m revenue income. By the end of the year, the gross expenditure was as budgeted, but income was £1.45m lower.
7. Of the £1.45m lower than expected revenue income, £1.051m is associated with the impact of Covid19 and was funded by Covid grant. The remaining revenue overspend was £0.397m, funded from reserves. This compares to a forecast £0.346m favourable against the approved budget in Period 8.
8. The £1.45m reduced income was due to
 - delays in the handover of new build properties which has reduced the level of rental income expected – this is as a result of extension of time requirements from contractors as a result of the pandemic;
 - reduction in community halls income due to lower levels of hire this year;
 - and reduction in the estimated garage income due to many garages in the portfolio being unlettable.
9. The Council invested £83.8m capital in council housing including building homes and maintaining homes (e.g. fire safety works, replacement of bathrooms and building new homes). This is funded from grant and borrowing. The interest on borrowing is paid for from the Housing Revenue Account, essentially from Council housing rental income.
10. This equates to 99% of the revised capital budget approved by Council in January 2022.
11. This has included investing in existing Council homes:
 - The lifts have been replaced at Burgundy; Normandy & Picardy houses, Dover House, Walmer House, Jackson & Swinson Houses
 - Installation of 456 kitchens and 507 bathrooms
 - Installation of 53 modular bathrooms and 1 kitchen at Brimsdown PODS
 - Electrical upgrades and full re-wires to 134 properties
 - Replacement of 954 boilers
 - 322 properties have had radiators replaced
 - Replacement of 608 roofs and 62 windows
 - 34 properties have been installed with external wall insulation
12. Developing new Council homes:
 - Bullsmoor Lane (31 new homes) being progressed by Modern Methods of Construction (MMC) with start on site 2022/23. Dendridge Close has been withdrawn from MMC route with the budget to be used to purchase 27 units from Meridian Water.
 - Newstead House, Maldon Road and Gatward Green (34 new homes) – expected to complete in first quarter 2022/23.
 - Bury Street West (50 new homes, 25 affordable rented and 25 private sales) - construction works commenced expected to complete final quarter 2022/23 with public realm works completing early 2023/24.
 - Exeter Road (130 new homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency with final contract sum pending. Risk of increased budget requirement due to inflationary pressures.

- Upton and Raynham (130 homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency and final contract pending. Risk of increased budget requirement due to inflationary pressures.
 - Reardon Court (70 units) commenced on site in Quarter 4 and will provide new affordable homes with care for older residents in the borough. Contract sum approved in line with allocated budgets.
 - Joyce & Snell's – Ballot completed in December with a positive 78% support for change and regeneration. Planning application due to be submitted in Sept 2022.
13. HRA reserves decreased by £16.43m from £25.3m as at 1st April 2021 to £8.87m as at 31st March 2022 (pre-audit figures).

Reasons for Proposals

14. To update Cabinet on the year end HRA Revenue position, including variance analysis.
15. To update Cabinet on the year end HRA Capital Programme position, including project outputs and requests for budget adjustments.

Relevance to the Councils Plan

16. The overarching aim of the Capital Programme is to provide a framework within which the Council's investment plans can be delivered.
17. The strategy for Council Housing is set out in the Housing and Good Growth Strategy which supports the Corporate Plan 2018-2022. The objectives are to:
 - Deliver good homes in well-connected neighbourhoods
 - Sustain strong and healthy communities
 - Build our local economy to create a thriving place
18. The Corporate plan also identifies 3 guiding principles, which underpin these objectives; they will govern how the Council communicates with residents, works with residents and works as efficiently as possible, including increasing resident access to digital services and transactions.

Background

19. The principle of maintaining a financially sustainable Housing Revenue Account and Capital programme are imperative in the context of an ambitious housing development programme. On 2nd March 2021, the 2021/22 budget for both the revenue and the capital programme was set by Council, subsequently monitored throughout the year at Cabinet.

20. The revenue budget covers operational or more day to day expenditure whereas the capital budget covers long term investment in Council housing assets. Regulations allow for revenue to be spent on capital items but the HRA cannot borrow (i.e. use capital funding) to fund operational day to day expenditure. There are regulations governing the types of costs that can be funded from the HRA. There are over 10,300 council homes in Enfield.
21. The Housing Revenue Account is separate from the Council's General Fund revenue budget which is funded from government grant, Council Tax and Business Rate income. The HRA capital programme is also completely separate from the Council's capital programme (non-council housing expenditure). These are both reported in individual reports also considered at Cabinet.
22. This report is set out in three sections:
 - HRA Revenue budget
 - HRA Capital Programme
 - HRA Reserves

Main Considerations for the Council

23. The sections below set out the final year end position against the budget (or plan) for both revenue and capital expenditure, explaining the reasons for the variation between actual and planned expenditure and how the funds have been spent.
24. This year has seen a range of issues that have had, and will continue to have, an impact on the strategy, priorities and outcomes for the service, including market conditions, an update of which is set out below.
25. Cabinet was updated on market conditions 19 January 2022 (KD5350) as part of the period 8 monitoring and this included the impacts of the pandemic, Brexit and constrained supply chains.
26. Since then the Consumer Prices Index (CPI) has increased to 9% (Bank of England long term target 2%) due partly to the conflict in Ukraine compounded by the continuing after-effects of Brexit and the pandemic which are expected to continue the upward pressure on inflation for some months to come. The Bank of England most recent forecast states that inflation will not return to 2% for another two years.
27. Market intelligence indicates costs for construction labour and materials will continue to increase at above inflation levels which will require a regular and rigorous review of expenditure to ensure appropriate mitigations can be deployed.

Revenue Outturn

28. The HRA outturn position is a £1.448m adverse position against the approved budget of £67.712m expenditure and offsetting £67.712m income. This equates to 2.1% of the income budget. The Covid-19 budget pressures of £1.051m will be funded from Central Government grant, therefore, the underlying outturn of £0.397m shortfall (1.3% of income budget) will be funded from HRA reserves.
29. Table 1 below shows the outturn position and total variance against budget. The movement in the outturn position compared to the Cabinet January 2022 forecast is shown in Appendix G.
30. In summary, lower income levels have impacted the revenue budget this year. This is mainly due to:
- delays in the handover of new build properties which has reduced the level of rental income expected
 - reduction in community halls income due to lower levels of hire this year
 - and reduction in the estimated garage income due to many garages in the portfolio being unlettable

Table 1 – Summary of the HRA Outturn

Outturn Summary for the Council Housing (HRA) 2021/22	Budget	Actual Outturn	Variance Covid impact	Variance excluding Covid impact	Total Variance
	£000s	£000s	£000s	£000s	£000s
Supervision and Management	21,747	24,367	663	1,957	2,620
Repairs Admin & Base	15,826	14,784	0	-1,042	-1,042
Rates	676	551	0	-125	-125
HRA Surplus (to fund Capital)	7,016	7,016	0	0	0
Bad Debt Provision	605	-49	0	-654	-654
Capital Financing	21,708	20,901	0	-807	-807
Corporate & Democratic Core	134	140	0	6	6
Gross expenditure	67,712	67,710	663	-665	-2
Rents Dwellings	-58,871	-58,285	255	331	586
Rents Non-Dwellings	-3,445	-2,808	133	504	637
Interest on HRA Balances	-380	-2	0	378	378
Leaseholders Service Charges	-5,016	-5,167	0	-151	-151
Gross income	-67,712	-66,262	388	1,062	1,450
Total	0	1,448	1,051	397	1,448

Supervision & Management (£2.620m adverse to budget)

31. As agreed by Cabinet, this year there has been additional investment of £727k made in improving the environmental conditions of estates following lifestyle changes as a result of the pandemic. These improvements include the following which are levied to residents through service charges in 2022/23:

- a. Enhanced grounds maintenance service
 - b. Additional waste removal, fly tipping and bin collections
 - c. Window cleaning and deep cleaning projects
- 32. A proportion of these costs will be recovered in the 2022/23 service charges, with the remaining costs applied in 2023/24 and recovered through service charges.
- 33. There has been an increase in the IT recharge from the General Fund of £509k this year, a review of the systems and cost allocation has taken place and it was identified that the HRA share of these costs was insufficient.
- 34. The HRA insurance provision has been increased by £310k based on the current claims and potential future claims.
- 35. Following the Council Housing restructure, there have been several payments for redundancy, totalling £300k. These payments are part of the approved structure and are funded from allocated revenue reserves.
- 36. There has also been an increase of £236k in the energy bills in 2021/22, this is due to the current market pressures in this area.
- 37. The Communal Services team has continued to be impacted by Covid-19 this year. This front-line service has incurred additional costs for agency staff to cover caretakers in isolation and has been providing equipment and additional PPE to staff working in this area. These additional costs have resulted in an overall pressure of £195k to the approved budget.

Repairs Service (£1.042m favourable variance)

- 38. This year the repairs service has reacted to responsive repairs and compliance works. These works have seen an increase in cost for materials of around 7-15%, however we have worked closely with our merchants to mitigate this impact and these costs have been contained within the overall budget.
- 39. There has been a reduction in the planned and cyclical works this year. These works will be completed in 2022/23 and will assist in reducing future responsive repairs costs.
- 40. The saving in the repairs and maintenance budget this year will be added to the repairs reserve, which will contribute towards future repair works.

Bad debt provision (£0.654m favourable variance)

- 41. A 10% provision was allocated for the potential increase in arrears from Covid-19 impact but this year actual arrears haven't seen a significant increase and remain at a similar level to last year. The current levels indicate the provision in reserves is adequate and a reduction in the revenue contribution has been identified.

42. The last two years have not seen a significant impact on arrears levels. This is due to the improvements made by the income collection team, including the introduction of 'RentSense' which has assisted in more targeted intervention work.

43. The table below shows Council tenant arrears for current and former tenants:

Council Housing Tenants Arrears	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
	£m	£m										
Current Tenants: Total Arrears	1.7 8	1.7 7	1.7 3	1.8 0	1.8 0	1.7 6	1.8 1	1.7 5	1.7 7	1.7 4	1.7 3	1.66
Former Tenant: Total Arrears	1.6 4	1.6 6	1.6 9	1.6 9	1.7 1	1.7 5	1.7 8	1.8 4	1.8 7	1.9 0	1.9 2	1.94
Total Arrears	3.4 2	3.4 4	3.4 3	3.4 9	3.5 1	3.5 1	3.5 9	3.6 0	3.6 4	3.6 4	3.6 5	3.61

44. On average the collection of current tenant's arrears is 102.32%, compared to 102.1% last year. The indicator exceeds 100% as it reflects the collection of arrears from prior years.

Interest of debt (£0.807m saving)

45. There has been a reduction in the borrowing requirement for the capital programme this year. This is due to the increase in grant payments for a number of development projects. The allocation was estimated to be paid on the basis of 50% start on site and 50% on completion, however the GLA have allocated 85% start on site with the remaining 15% paid on completion. Receiving a higher level of grant at the start of the project has reduced the borrowing requirement this year, which has reduced the estimated interest payments on the HRA debt.

Rental Income (£0.586m income shortfall)

46. Due to the current market conditions, the completion of new homes within our development programme has been delayed, these include Newstead House, Maldon Road, Gatward Green and Electric Quarter projects. The delays in the units being completed (c. 93 units with delays of 6 months) has impacted the expected rental income to the HRA this year and has created a pressure in the revenue budget.

Community Halls (£0.133m income shortfall)

47. Our community halls have re-opened following the easing of Government restrictions and are being used as nurseries and used by the HRA regeneration team. However, the demand for halls has been low and has resulted in a shortfall in income of £0.133m against a budget of £0.393m.

Garage rents (£0.161m income shortfall)

48. There has been a reduction in the expected rental income from garages this year due to a reduction in the number of garages lets. This has increased the void rate from the estimated 50% to an actual of 53%.

Interest on balances (£0.378m shortfall)

49. The Council's Treasury Management Strategy utilises 'internal borrowing' to reduce interest costs. The financially more costly alternative would be to keep high cash balances to invest while at the same time borrowing for the capital programme and paying higher rates of interest on that borrowing.

Efficiency savings

50. The HRA Business Plan had a revenue efficiency target of £1m to be achieved in 2021/22. The savings target has been achieved this year and has slightly exceeded the projection, with £1.089m of on-going savings being achieved. The following table represents the savings made this year:

Savings 2021/22	£000's
Restructure of Council Housing Service	-836
Reduction in bad debt contribution	-253
Total Savings	-1,089

HRA Capital Programme

51. The Council's Capital Programme is regularly reviewed, and monitoring reports are submitted to Cabinet on a quarterly basis. The Council continually strives to maximise external grants and contributions and attract new income streams to fund projects wherever possible and minimise the need to borrow.
52. The impact of Brexit, the Covid-19 pandemic and supply chain constraints have resulted in unprecedented material and labour shortages which have increased prices and reduced supplies. The HRA Business Plan has been updated to reflect these challenges, which was approved at Cabinet in December 2021 and Council in March 2022. The HRA Business Plan review undertaken provided an update on the HRA 30-year position. The main changes were as follows:
- a. Revised 10-year development programme to secure ongoing delivery
 - b. Updated borrowing profile
 - c. Re-profiled 10-year investment in stock programme
 - d. Revenue budget update
 - e. CPI update
 - f. Financial framework update, including, financial metric and assumptions
53. The HRA capital programme for 2021/22 planned expenditure was refreshed during the financial year, as at January 2022, the expected budgeted spend was £84.897m for the year. At the end of the financial year, the actual expenditure was £83.827m. This is summarised in Table 2 below and detailed in Appendix A.

Table 2 – Summary of the HRA Capital Programme

Approved Capital Programme	2021/22	Net Movement	2021/22 (Jan) Revised Budget	2021/22 Outturn	Variance	Variance	Proposed Carry Forward or (Reduction)
	Budget (Jan Cabinet)						£'000
	£'000	£'000	£'000	£'000	£'000	%	£'000
Asset-Led Works	0.68	0.00	0.68	0.43	-0.25	57%	0.25
Asset-Led Works: Cambridge Road West	0.70	0.00	0.70	1.00	0.31	-31%	-0.31
Asset-Led Works: Upper Edmonton	5.43	0.00	5.43	4.81	-0.62	13%	0.62
Demand-Led Works	0.18	0.00	0.18	0.09	-0.09	101%	0.09
Demand-Led Works: Aids & Adaptations	1.14	0.00	1.14	1.22	0.08	-7%	-0.08
Fire-Led Works	11.28	0.00	11.28	10.60	-0.68	6%	0.68
Stock-Condition-Led Works	25.99	0.00	25.99	27.82	1.83	-7%	-1.83
Investment Programme Total	45.40	0.00	45.40	45.97	0.57	-1%	-0.57
Development Programme	2.12	0.00	2.12	2.45	0.33	-13%	-0.33
Development Programme: Gatward/Newstead & Maldon	5.00	0.00	5.00	4.13	-0.87	21%	0.87
Development Programme: Reardon Court	1.80	0.00	1.80	1.41	-0.39	28%	0.39
Development Programme: Upton & Raynham	2.86	0.00	2.86	2.37	-0.49	21%	0.49
Development Programme: Bury Street	9.53	0.00	9.53	8.51	-1.02	12%	1.02
Development Programme: Electric Quarter	5.90	0.00	5.90	5.93	0.03	0%	-0.03
Development Programme - Joyce & Snells	2.05	0.00	2.05	2.85	0.80	-28%	-0.80
Development Programme Total	29.25	0.00	29.25	27.64	-1.62	6%	1.62
Estate Regeneration: Alma Towers	8.98	0.00	8.98	8.98	0.00	0%	0.00
Estate Regeneration: Ladderswood	0.18	0.00	0.18	0.20	0.02	-10%	-0.02
Estate Regeneration: New Avenue	1.01	-0.01	1.00	0.95	-0.05	5%	0.05
Estate Regeneration: Small Sites	0.08	0.01	0.09	0.09	0.00	0%	0.00
Estate Regeneration Total	10.25	0.00	10.25	10.22	-0.03	0%	0.03
Total HRA	84.90	0.00	84.90	83.83	-1.07	1%	1.07

54. Capital budgets are planned over ten years, in some instances the planned expenditure occurs in a different financial year from that planned, the budget is re-profiled (subject to a review). The HRA capital budget reprofiling represents budget adjustments to reflect new timescales for project delivery and comprises of:

Unspent budget to carry forward to 2022/23	-£6.956m
Reduce 2022/23 budgets for programmes spent in 2021/22	£5.885m
Net budget to carry forward	-£1.071m

Analysis of these are provided from paragraph 94 and in Appendix A.

HRA Capital Programme: Project Outcomes

55. This section provides:

- details of significant areas of spend (£84.897m) during 2021/22 and the associated outputs delivered by those schemes. This includes investment in improving safety and the condition of Council homes, general maintenance, investments to support the climate action plan, building new homes and large-scale regeneration schemes.
- And secondly, explains why the variation between planned spend and actual spend has occurred and the reasons for re-profiling of the budget between financial years.
- Finally, the details of how the programme was financed is provided.

Council Housing Investment Programme (£45.968m)

56. In line with the Better Council Homes programme, investment in the Council's housing stock and achieving the Decent Homes Standard and maintaining this is a Council priority; to address building safety risks and to reduce the need for responsive repairs. We have been working in collaboration with partner contractors to complete the projected works and associated spend within this financial year.

Asset-Led Works (£6.248m)

57. The spend this year has been based upon the delivery of decency and safety driven improvement works to schemes where blocks in close proximity have been grouped together and procured. These schemes are all live and include Hertford Road, Upper Edmonton, Pruden Close and Cambridge Road West.
58. The Upper Edmonton project has seen the following works completed this year:
- a. windows and side doors installed in 108 properties
 - b. window replacement in 18 communal areas
 - c. roof repairs or replacements in 18 blocks
 - d. external concrete and balcony repairs to 18 blocks
59. The aged communal boiler plant at Pruden Close Sheltered block has been replaced with a new ground source heat pump (GSHP) in line with the Council's Carbon reduction strategy, which will also deliver more efficient, reliable and cost-effective heating and hot water for residents.
60. Works at Cambridge Road West have been accelerated and have seen surveys and roof work commence ahead of time.

Demand-Led Works (£1.307m)

61. Aids and adaptations - 200 adaptations in accordance with Council's statutory obligations (Housing Grants, Construction and Regeneration Act 1996)

Fire-Led Projects (£10.597m)

62. Bliss and Purcell, Channel Island and Brittany House blocks have seen the installation of sprinkler and fire alarm systems this year. In addition, fire stopping and soil stack replacement works have commenced at Bliss and Purcell.

63. Walbrook is a re-investment pilot for the Council aiming to address the replacement of high-risk cladding (already removed) alongside other internal fire safety works and zero carbon ambitions. This year the following works have been carried out and an options appraisal for the future of the building is to be brought to Cabinet this year:
 - design works for the block has been progressed to RIBA stage 3
 - pigeon proofing has been completed
 - district heating enabling works have been procured
 - district heating design works have commenced
64. The flat door remediation project has seen installation of 1,931 fire rated flat entrance doors this year.

Stock-Condition-Led Works (£27.817m)

65. This budget funds decent homes improvement works, delivered through various contracts across the borough. These include communal boiler upgrades, Brimsdown modular POD extension replacements, lift replacements, kitchen, bathroom and electric replacements, roofing renewals, window replacements and external wall insulation applications.
66. This programme has made the following improvement works to homes:
 - Installation of 456 kitchens and 507 bathrooms
 - Installation of 53 modular bathrooms and 1 kitchen at Brimsdown PODS
 - Electrical upgrades and full re-wires to 134 properties
 - Replacement of 954 new boilers
 - 322 properties have had radiators replaced
 - Replacement of 608 roofs and 62 windows
 - 34 properties have been installed with external wall insulation
67. These works will improve building insulation and reduce heat loss, which will create savings in energy costs to residents and contribute to our plans for decarbonising the housing stock.
68. Lift replacement programmes (7 blocks): a programme of lift replacements has been delivered this year to replace lifts which have now reached their end of life and address increasing service outages, which are have a detrimental impact on residents. The lifts have been replaced at the following blocks:
 - Burgundy; Normandy & Picardy houses
 - Dover House
 - Walmer House
 - Jackson & Swinson Houses

Social Value

69. Contracts let this year are expected to deliver the following social value outcomes:
 - Apprenticeships
 - school placement/ work experience placements, with 4 targeted at BME and disabled school leavers
 - DIY skills workshops (2 per year) for residents
 - greening projects
 - A commitment that 40% of all contract labour will be from Enfield residents

- A 3-tonne reduction in carbon generated from the council
 - 100% recyclable waste target
 - Resident energy awareness programme to address energy consumption and fuel poverty.
70. Moving forward all Social Value outcomes will be captured via the Social Value Portal, using the Council Housing social value model. Social Value will account for 10% of the tender evaluation score.
- Development Programme (£27.635m)
71. Bullsmoor Lane (31 new homes) being progressed by Modern Methods of Construction (MMC) with start on site 2022/23. Dendridge Close has been withdrawn from MMC route with the budget to be used to purchase 27 units from Meridian Water.
72. Newstead House, Maldon Road and Gatward Green (34 new homes) – expected to complete in first quarter 2022/23.
73. Bury Street West (50 new homes, 25 affordable rented and 25 private sales) - construction works commenced expected to complete final quarter 2022/23 with public realm works completing early 2023/24.
74. Exeter Road (130 new homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency with final contract sum pending. Risk of increased budget requirement due to inflationary pressures.
75. Upton and Raynham (130 homes) - start on site at Qtr 4 although completion timescales are likely to slip due to protracted contract negotiations. Budget includes contingency and final contract pending. Risk of increased budget requirement due to inflationary pressures.
76. Reardon Court (70 units) commenced on site in Quarter 4 and will provide new affordable homes with care for older residents in the borough. Contract sum approved in line with allocated budgets.
77. The Council is contractually obligated to deliver starts through the GLA programme with a longer-term commitment to deliver 3,500 homes. To manage cost pressures and deadlines a review is in progress as follows:
- Value engineering aspects of schemes to create efficiencies.
 - Seeking higher levels of grant – especially those funded through historical low grant rate programme such as Upton and Raynham.
 - Seeking funding via the S106/CIL budgets.
 - Review of procurement strategies including packaging schemes to identify cost efficiencies.
 - Review of tenure and increasing private sale.
78. As part of this review empirical build costs and revised expenditure profiles are being used to update the HRA Business Plan which will be submitted to Cabinet later in the financial year.

Estate Regeneration (£10.222m)

79. This programme, which includes the Joyce and Snells, Alma Estate, New Avenue and Ladderswood schemes, is investing in large scale phased regeneration for delivery of in-demand affordable housing as well as unlocking new homes for low cost home ownership for Enfield residents.
80. To mitigate this works on Alma Phase 2a and Phase 4 has been brought forward with revised planning consent, issued in September, increasing the number of homes for phases 2a and 4 by 88 as shown below.

L a d d e r	Alma Estate Phase	Previous consent	Revised	Increase
2a	192	228	36	
4	23	75	32	
Total	215	303	88	

swood –Phase 4 due to commence this year pending Deed of Variation approved in March 2022. Due to various delays and title issues, the commercial units remain void which impact on rental income has been reprofiled from 2021/2022 to 2022/23. the overage payable will be adjusted by £1.6m in line with KD5444. Overage is usually paid as completion of sales units which means Phase 1 and 2 is payable this year.

81. New Avenue - spend forecast reflect expected Leaseholder claims and project costs. Planning has been granted for uplift of homes from 408 to 502 which will allow for additional affordable housing on the site. Construction of Phase 2 commenced in March 2022 and Phase 3 expected in June 2022 which means both Coverack Close and Shepcot will be demolished.
82. Joyce & Snell's – Ballot completed in December with a positive 78% support for change and regeneration. Planning application due to be submitted in Sept 2022.

Capital Programme Variance Analysis

84. A breakdown of the variances is shown in Table 3 below, followed by the explanation for variances over £500k and re-profiling of budgets required.

Table 3

Approved Capital Programme	Gross Slippage Carry Forward to 2022/23	Accelerated Budgets Brought Forward from 2022/23	Proposed Carry Forward Slippage (Net)
	£m	£m	£m
Asset-Led Works	-0.87	0.31	-0.57
Fire-Led Works	-1.93	1.25	-0.68
Stock-Condition-Led Works	-1.24	3.07	1.83
Investment Programme Total	-4.04	4.62	0.58

Development Programme: Gatward/Newstead & Maldon	-0.87	0.00	-0.87
Development Programme: Bury Street	-1.02	0.00	-1.02
Development Programme - Joyce & Snells	0.00	0.80	0.80
Development Programme - Reardon & Upton/Raynham	-0.88	0.00	-0.88
Development Programme Total	-2.77	0.80	-1.97
Other - balance	-0.15	0.47	0.32
Total HRA	-6.96	5.89	-1.07

85. Asset Led Works (£0.566m carry forward: £0.872m underspend carried forward partially offset by £0.306m budget reduction 2022/23 to fund acceleration in delivery)

- Whilst a number of the external works at Upper Edmonton have completed there has been a delay in the works to install fire doors. This is due to extended material lead times and door supplier delays, which has led to the budget carry forward request.
- Surveys and roof works at Cambridge Road West have been accelerated which has led to the budget from 2022-23 being brought forward to fund these works.

86. Fire Led Works (£0.683m carry forward: £1.931m underspend carried forward partially offset by £1.248m budget reduction 2022/23 to fund acceleration in delivery)

- The communal and flat door installation project has been very successful this year with works planned for 2022/23 being brought forward, this has meant that budget forecast has increased and the planned spend in 2022/23 has been brought forward into 2021/22.
- The planned Brittany House fire sprinkler installation has been delayed due to supplier going into administration. These works will commence in 2022/23.

87. Stock Condition Led Works (£1.828m brought forward: £1.238m underspend carried forward offset by budget reduction 2022/23 £3.066m to fund acceleration in delivery).

- Boiler installations and external house works to replace roofs and windows have exceeded expectations this year and spend was higher than estimated. This increased productivity has improved the decency of a large number of properties, with the budget being brought forward from 2022/23 programme.
- There has been procurement delays in the communal boiler replacement programme this year, this programme will commence in 2022-23.
- There have been delays in the external wall insulation programme due to access and planning issues. 34 properties have been installed with

external wall insulation and surveys for an additional 70 properties have been completed, the works on these properties will complete in 2022-23.

88. Development Programme (£1.973m carry forward: £2.770m underspend carried forward partially offset by £0.797m budget reduction 2022/23 to fund acceleration in delivery)
- Bury Street West (£1.021m carry forward) – slippage with whole amount expected to be spent 2022/23 with completion of units final quarter 2022/23
 - Gatward Green, Newstead and Maldon (£0.867m carry forward) – due mainly to extension of time and prolongation claims from contractors which are in the process of being negotiated
 - Reardon Court (£0.394m carry forward) – negotiations on the construction programme and tender price extended beyond year end and this is an accrual for spend incurred under the Pre-Contract Services.
 - Exeter Road (£0.327m accelerated to 2021/22) – contract negotiations in progress as a result of inflationary pressures impacting on delivery timescales
 - Upton & Raynham (£0.488m carry forward) - contract negotiations in progress as a result of inflationary pressures impacting on delivery timescales
 - Joyce & Snells (£0.797m accelerated to 2021/22) – following Cabinet approval in Sept 2021, £10m was allocated to allow for expenditure to be committed on towards master planning and professional services. This profile was not updated to increase the £2m to the required budget and therefore the £797k reflects the accurate profiling rather than overspend.

Financing the Capital Programme

89. Table 4 below sets out the financing of the 2021/22 capital programme from a combination of grants, capital receipts (sale of assets), S106 contributions, reserves and borrowing.

Table 4 Financing of the capital programme

HRA CAPITAL PROGRAMME FUNDING 2021-22	Grants & Contributions	Capital Receipts	S106 Contribution	Major Works Allowance	Earmarked Reserves	Borrowing	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Asset-Led Works	0.00	0.00	0.00	0.43	0.00	0.00	0.43
Asset-Led Works: Cambridge Road West	0.00	0.00	0.00	1.00	0.00	0.00	1.00
Asset-Led Works: Upper Edmonton	0.00	0.00	0.00	4.81	0.00	0.00	4.81

Demand-Led Works	0.00	0.00	0.00	0.09	0.00	0.00	0.09
Demand-Led Works: Aids & Adaptations	0.00	0.00	0.00	1.22	0.00	0.00	1.22
Fire-Led Works	0.00	3.08	0.00	0.00	7.52	0.00	10.60
Stock-Condition-Led Works	0.32	0.00	0.00	9.91	17.59	0.00	27.82
Investment Programme Total	0.32	3.08	0.00	17.47	25.11	0.00	45.97
Development Programme	0.00	0.15	1.91	0.00	0.00	0.38	2.45
Development Programme: Gatward/Newstead & Maldon	0.90	0.00	0.00	0.00	0.00	3.23	4.13
Development Programme: Reardon Court	1.40	0.00	0.00	0.00	0.00	0.01	1.41
Development Programme: Upton & Raynham	2.30	0.00	0.00	0.00	0.00	0.07	2.37
Development Programme: Bury Street	0.00	0.00	0.00	0.00	0.00	8.51	8.51
Development Programme: Electric Quarter	2.35	0.00	0.00	0.00	0.00	3.58	5.93
Development Programme - Joyce & Snells	0.00	0.00	0.00	0.00	0.00	2.85	2.85
Development Programme Total	6.95	0.15	1.91	0.00	0.00	18.63	27.64
Estate Regeneration: Alma Towers	0.00	0.00	0.00	0.00	0.00	8.98	8.98
Estate Regeneration: Ladderswood	0.00	0.00	0.00	0.00	0.00	0.20	0.20
Estate Regeneration: New Avenue	0.00	0.00	0.00	0.00	0.00	0.95	0.95
Estate Regeneration: Small Sites	0.00	0.00	0.00	0.00	0.00	0.09	0.09
Estate Regeneration Total	0.00	0.00	0.00	0.00	0.00	10.22	10.22
Total HRA	7.26	3.23	1.91	17.47	25.11	28.85	83.83

Grants Summary

90. Table 5 below provides a summary of the grant received in 2021-22 and the assumptions over the next 4 years:

Table 5 Summary of Grant Funding

Grant Summary	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimated	Estimated	Estimated	Estimated
	£m	£m	£m	£m	£m
GLA Grant	6.95	16.22	9.14	21.14	13.12
Local Authority Delivery Scheme	0.32	1.13	0.00	0.00	0.00
Total Grant	7.26	17.35	9.14	21.14	13.12

91. The Council is currently delivering a number of large housing schemes under the Building Council Homes for Londoners programme which requires starts on site no later than March 2023. Through a mixture of direct delivery and acquisitions, the Council is progressing schemes through planning to ensure the current committed programme is delivered to time. In April, the Council submitted a bid as part of the AHP 2021-26 programme and announcements were made in September confirming the full bid was successful and allocated the full amount applied for of £166.5m to support future new build and regeneration projects. The grant relates to sites in future years and projects commencing from April 2023 and is subject to contract.

92. Enfield Council have been successful in the bidding application for Phase 1B of the Local Authority Delivery scheme and received confirmation from Department for Business, Energy and Industrial Strategy (BEIS) in February 2021 that the application has successfully met the assessment criteria for funding to provide energy efficiency upgrades to low-income homes. This funding will support the installation of External Wall Insulation in 61 Council properties.

Earmarked Reserves

93. The level of HRA reserves, after capital financing, are shown below, in total this represents 13% of the £67m gross revenue budget:

Reserves -ve expenditure +ve positive balances on reserves	Balance at 01/04/2021	Movement (net of capital financing)	Balance at 01/04/2022	Explanation of movements
	£m	£m	£m	
HRA Repairs Fund	10.06	-8.48	1.58	(£1.044m) saving in the repair's revenue spend and £9.52m used to fund the capital investment programme
HRA Insurance	0.32	0.31	0.63	Increase in insurance provision due to an increase in potential claims in the short and long term
HRA Balance	9.94	-4.4	5.54	£6.6m revenue surplus (originally £7.0m but was reduced by £0.397m revenue pressure), £11m to fund the capital investment programme
HRA Capital reserve	4.98	-3.86	1.12	(£0.57m) leaseholder major repairs contributions and £4.43m to fund the capital investment programme
Total Reserves	25.31	-16.43	8.87	

94. There has been an increase in the use of HRA reserves this year due to a number of capital receipts not being received as expected, this has meant that revenue reserves have been used to fund the capital investment programme, this in turn has reduced the level of interest expected on HRA reserves.
95. In 2021/22 the reserves position was expected to be reduced due to the increase in spend in the HRA capital programme. In order to achieve the Council objectives for the delivery of 3,500 new homes over the next 14 years it has been necessary to use reserves to fund the demands in the short term, and in the long term the delivery of new homes will generate additional revenue rental income and capital sales receipts in order to maintain a viable HRA business plan.
96. Due to a number of delays in the Development Programme due to Brexit and Covid-19 pressures, additional revenue reserves have been used to fund the shortfall in the capital programme this year. Expected receipts in 2021/22 of £8.9m to fund the programme haven't materialised and revenue reserves have been used to fund the shortfall. These receipts are now expected in 2022/23 and will increase the reserves position in this period.

Safeguarding Implications

97. Not relevant to this report

Public Health Implications

98. Through investment in capital building and maintenance, the Council influences the built environment within Enfield significantly. The built environment in turn influences how residents interact with their environment; for example, during active travel or accessing facilities. Ensuring that our capital buildings are maintained, fit for purpose, and wellbeing considerations are taken in terms of their use, how they promote residents' wellbeing is key to contributing positively towards the public's health. Additionally, ensuring that all buildings have minimal environmental impact also contributes towards enhancing resident's wellbeing.
99. The Council moved swiftly to safeguard the health of its residents and staff during a period of threat unprecedented in living memory. As previously reported the financial implications of this have been harsh and have reached into every department in the Council. As the council is fundamental to the health of Enfield residents it needs to achieve financial balance.
100. This report notes the work that the Council is and has already undertaken and therefore in and of itself does not have public health implications. However, both the Office for Budget Responsibility (OBR) and the Institute for Financial Services (IFS) have both reported on the negative health effects of the 2008 financial crisis. In order to mitigate the effects of this current crisis the council will need to attain financial balance, consider what the 'new normal' might be and how this might be achieved whilst optimising resident's health.

Equalities Impact of the Proposal

101. Not relevant to this report.

Environmental and Climate Change Considerations

102. Environmental and climate changes implications are referenced as relevant in the body of the report.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

103. Not relevant to this report

Financial Implications

104. Financial implications are integral to this report.

Legal Implications

105. The Council has a statutory duty to arrange for the proper administration of its financial affairs and a fiduciary duty to taxpayers with regards to its use of and

accounting for public monies. This report assists in the discharge of those duties.

106. Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. The Local Government Act 1972 brought in the current regime for capital finance for local authorities.
107. There are no direct legal implications arising from this report. The report is produced as part of the requirements for managing the Council's spending within budget.

Workforce Implications

108. Not relevant to this report.

Property Implications

109. Whilst a number of capital projects mentioned within this report have property implications, these will have been highlighted in the relevant report that authorised the project. As such, this report in itself does not have any direct property implications.

Other Implications

110. There are no other implications.

Options Considered

111. Position on the revenue and capital accounts of the HRA are a matter of fact therefore there are no options in this regard.
112. There is the option not to approve the requested budget adjustments in their proposed form in which case this will have an impact on the delivery of planned investment and development schemes.
113. Consideration has been given to these objectives with due regard to the financial position of the Council's HRA with a view to refreshing the overarching HRA Business Plan later in the financial year as a prelude to refreshing the Council's financial strategies.

Conclusions

114. The HRA revenue budget will continue to be closely monitored over the coming year, in particular monitoring the cost pressures arising from the current economic position. Action will be taken to address in year cost pressures as these arise to ensure that the HRA maintains financial resilience this will be reported to Cabinet during the coming financial year.

115. A significant number of capital projects have been delivered during 2021-22 that support the Council's housing strategy totalling £83.826m.

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Date of report 6th July 2022

Appendices

Appendix A	Capital outturn summary
Appendix B	Financing Movement
Appendix C	Movement in Capital Expenditure Budgets From 1 st April 2021 to 31 st March 2022
Appendix D	Analysis by Corporate Objective at Programme Level
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Appendix F	Revised 2022/23 Full Capital Programme
Appendix G	Revenue variations between January and outturn position

Background Papers

The following documents have been relied on in the preparation of this report:

Appendix A – Capital outturn summary

Approved Capital Programme	2021/22 (Nov) Budget	2021/22 Budget Adjustments Since Period 8	Virements	2021/22 Revised Budget	2021/22 Expenditure	Variance	Proposed Re- profiling (Cfwd)
	£m	£m	£m	£m	£m	£m	£m
Development Programme - Joyce & Snells	2.05	0.00	0.00	2.05	2.85	0.80	0.80
Development Programme	11.78	0.00	0.00	11.78	10.35	-1.42	-1.42
Development Programme: Bury Street	9.53	0.00	0.00	9.53	8.51	-1.02	-1.02
Development Programme: Electric Quarter	5.90	0.00	0.00	5.90	5.93	0.03	0.03
Development Programme Total	29.25	0.00	0.00	29.25	27.64	-1.62	-1.62
Estate Regeneration: Alma Towers	8.98	0.00	0.00	8.98	8.98	0.00	0.00
Estate Regeneration: Ladderswood	0.18	0.00	0.00	0.18	0.20	0.02	0.02
Estate Regeneration: New Avenue	1.01	0.00	-0.01	1.00	0.95	-0.05	-0.05
Estate Regeneration: Small Sites	0.08	0.00	0.01	0.09	0.09	0.00	0.00
Estate Regeneration Total	10.25	0.00	0.00	10.25	10.22	-0.03	-0.03
Stock-Condition-Led Works	25.99	0.00	0.00	25.99	27.82	1.83	1.83
Demand-Led Works	1.31	0.00	0.00	1.31	1.31	-0.01	-0.01
Fire-Led Works	11.28	0.00	0.00	11.28	10.60	-0.68	-0.68
Asset-Led Works	6.81	0.00	0.00	6.81	6.25	-0.57	-0.57
Investment Programme Total	45.40	0.00	0.00	45.40	45.97	0.57	0.57
Total HRA	84.90	0.00	0.00	84.90	83.83	-1.07	-1.07

Appendix B – Financing Movement

Appendix C- Movement in Capital Expenditure Budgets From 1st April 2021 to 31st March 2022

Capital Programme	Original budget	2020/21 Outturn Adj	2021/22 Revised budget	Reprofilin g	Other Adj	Q1 Revised Budget	Reprofilin g	Other Adj	Q2 Revised Budget	Reprofilin g	Other Adj	P8 Revised Budget	Other Adj	Q4 Revised Budget	Outturn	Variance
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
HRA	168.63	20.60	189.23	-73.18	0.00	116.05	-27.71	0.00	88.35	-3.45	0.00	84.90	0.00	84.90	83.83	1.07

Appendix D – Analysis by Corporate Objective at Programme Level

Corporate Objective	Capital Programme	Revised Budget at Outturn	Outturn	Variance
		£m	£m	£m
Good homes in well-connected neighbourhoods	Development Programme	11.78	10.35	-1.42
Good homes in well-connected neighbourhoods	Development Programme: Bury Street	9.53	8.51	-1.02
Good homes in well-connected neighbourhoods	Development Programme: Electric Quarter	5.90	5.93	0.03
Good homes in well-connected neighbourhoods	Development Programme - Joyce & Snells	2.05	2.85	0.80
Good homes in well-connected neighbourhoods	Estate Regeneration	0.00	0.00	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: Alma Towers	8.98	8.98	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: New Avenue	1.00	0.95	-0.05
Good homes in well-connected neighbourhoods	Estate Regeneration: Small Sites	0.09	0.09	0.00
Good homes in well-connected neighbourhoods	Estate Regeneration: Ladderswood	0.18	0.20	0.02
Good homes in well-connected neighbourhoods	Asset-Led Works	6.81	6.25	-0.57
Good homes in well-connected neighbourhoods	Demand-Led Works	1.31	1.31	-0.01
Good homes in well-connected neighbourhoods	Fire-Led Works	11.28	10.60	-0.68
Good homes in well-connected neighbourhoods	Stock-Condition-Led Works	25.99	27.82	1.83
Total HRA Good Homes In Well-Connected Neighbourhoods		84.90	83.83	-1.07

Appendix E - 10-Year Capital Programme -Approved Programme Expenditure Budgets

	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
Capital Programme	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Development Programme	10.35	55.85	119.67	36.55	61.23	35.31	110.34	429.31
Development Programme: Bury Street	8.51	10.66	0.44	0.00	0.00	0.00	0.00	19.60
Development Programme: Electric Quarter	5.93	1.26	0.00	0.00	0.00	0.00	0.00	7.19
Development Programme - Joyce & Snells	2.85	5.96	38.41	43.14	52.72	47.29	268.91	459.27
Development Programme Total	27.64	73.73	158.52	79.69	113.95	82.60	379.25	915.37
Estate Regeneration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estate Regeneration: Alma Towers	8.98	5.68	0.74	0.65	0.65	0.63	0.00	17.33
Estate Regeneration: Ladderswood	0.20	0.23	0.11	0.11	0.11	0.00	0.00	0.76
Estate Regeneration: New Avenue	0.95	0.36	0.21	0.22	0.00	0.00	0.00	1.74
Estate Regeneration: Small Sites	0.09	0.00	0.00	0.00	0.00	0.00	0.00	0.09
Estate Regeneration Total	10.22	6.27	1.05	0.98	0.76	0.63	0.00	19.92
Asset-Led Works	6.25	10.41	0.23	0.17	0.00	0.00	0.00	17.05
Demand-Led Works	1.31	2.36	2.35	0.00	0.00	0.00	0.00	6.01
Fire-Led Works	6.00	23.48	23.16	0.21	0.00	0.00	0.00	52.85
Stock-Condition-Led Works	32.41	17.76	32.21	14.93	14.54	14.54	68.19	194.59
Investment Programme Total	45.97	54.00	57.95	15.31	14.54	14.54	68.19	270.50
Total HRA	83.83	133.99	217.52	95.99	129.25	97.77	447.45	1,205.79

Appendix E1 - 10-Year Capital Programme -Approved Programme Financing Budgets

Capital Financing	Outturn	Revised	Revised	Revised	Revised	Revised	Revised	Revised
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28 - 2031/32	Total
	£m	£m	£m	£m	£m	£m	£m	£m
External Grants	7.26	20.15	9.14	21.14	13.12	34.93	89.34	195.08
S106 & CIL	1.91	0.00	0.00	0.00	0.00	0.00	27.51	29.42
Revenue Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Receipts	3.23	22.75	56.59	60.70	39.59	17.36	128.83	329.05
Major Allowance Repairs	17.47	7.90	12.06	14.15	14.54	14.96	68.20	149.28
Earmarked Reserves	25.11	21.56	6.92	0.00	0.00	19.52	48.58	121.69
Borrowing	28.85	61.63	132.80	0.00	62.00	11.00	85.00	381.27
Total HRA Financing	83.83	133.99	217.52	95.99	129.25	97.77	447.45	1,205.79

Appendix F - Revised 2022/23 Full Capital Programme

Capital Programme & Directorate	2022/23 Original (KD5353)	2021/22 Movements	2021/22 Slippage	Budgets Utilised in 2021/22 (Acceleration)	Net Slippage (2021/22)	2022/23 Revised Budget
	£m	£m	£m	£m	£m	£m
Development Programme	54.43	0.00	1.76	-0.34	1.42	55.85
Development Programme: Bury Street	9.64	0.00	1.02	0.00	1.02	10.66
Development Programme: Electric Quarter	1.29	0.00	0.00	-0.03	-0.03	1.26
Development Programme - Joyce & Snells	6.76	0.00	0.00	-0.80	-0.80	5.96
Development Programme Total	72.11	0.00	2.78	-1.16	1.62	73.73
Estate Regeneration: Ladderswood	0.25	0.00	0.00	-0.02	-0.02	0.23
Estate Regeneration: Alma Towers	5.68	0.00	0.00	0.00	0.00	5.68
Estate Regeneration: New Avenue	0.31	0.00	0.05	0.00	0.05	0.36
Estate Regeneration: Small Sites	0.00	0.00	0.00	0.00	0.00	0.00
Estate Regeneration Total	6.24	0.00	0.05	-0.02	0.03	6.27
Asset-Led Works	9.85	0.00	0.87	-0.31	0.57	10.41
Demand-Led Works	2.35	0.00	0.09	-0.08	0.01	2.36
Fire-Led Works	26.27	0.00	1.93	-1.25	0.68	26.96
Stock-Condition-Led Works	16.10	0.00	1.24	-3.07	-1.83	14.28
Investment programme Total	54.57	0.00	4.13	-4.70	-0.57	54.00
Total HRA	132.92	0.00	6.96	-5.89	1.07	133.99

Appendix G – Revenue variations between January and outturn position

Council Housing Revenue Monitor £'000	2021-22 Budget	Actual Outturn	Reported January Variances	Difference between January and final outturn	Key Variances between January and final outturn position	
					£m	£m
Supervision and Management *Housing Development & Estate Renewals *Director Housing Management *Tenancy and Estate Management *Income Collection *Re-Housing *Home Ownership & RTB's *Communications *Grounds Maintenance *Energy *Communal Services *Sheltered Housing & Concierge & CCTV	21.75	24.37	0.07	2.55	Whilst the redundancy expenditure was estimated as part of the restructure report, the final costs were unknown at the time of finalising the January Cabinet report. There was an increase in the IT recharge as reported in the main body of the report, this work wasn't finalised until year end.	The increase in energy bills was unknown until the final bills were received in March, the final quarters bills reflected the increase in charges
Repairs Service	15.83	14.78	-0.11	-0.93	Whilst a number of planned and cyclical repairs works were delayed in 2021-22, the cost of responsive repairs had increased. However, a number of invoices hadn't been received and works orders in Northgate weren't finalised until the year end.	
Rates - Council Tax and Business Rates	0.68	0.55	0.00	-0.13		
Bad Debt Provision	0.61	-0.05	-0.44	-0.21		
Capital Financing	21.71	20.90	-0.60	-0.21		
HRA Surplus (to fund Capital)	7.02	7.02	0.00	0.00		
Corporate & Democratic Core	0.13	0.14	0.00	0.01		
Total Expenditure	67.71	67.71	-1.08	1.08		
Rents Dwellings	-58.87	-58.29	0.35	0.24	A number of units were expected to be handed over in the last quarter of 2021-22. We had assumed that income would have been received for a number of these completed units, however further delays on the projects had impacted the hand over dates, resulting a further reduction of expected income	
Rents Non Dwellings (Shops/Garages/Community Halls)	-3.45	-2.81	0.39	0.25		
Interest on HRA Balances	-0.38	0.00	0.00	0.38	A higher level of reserves were used in 2021-22 mainly due to receipts not being received in quarter 4, this has impacted on the level of interest received on HRA balances	
Leaseholders Service Charges	-5.02	-5.17	0.00	-0.15		
Total Income	-67.71	-66.26	0.74	0.72		
Total	0.00	1.45	-0.35	1.79		