

FINANCIAL MONITORING REPORT (based on Performance April to June 2022 inclusive)

1. RECOMMENDATIONS

- 1.1 It is recommended that Cabinet notes
 - 1.1.1 the latest budget forecasts of the General Fund (section 6), Capital (section 7), and HRA (section 8).
 - 1.1.2 the impact that utility and general inflation is forecast to have on the Council's budgets, and the need to identify mitigating actions to address these largely unavoidable cost pressures, including a review of Service Charges within the HRA.
- 1.2 It is recommended that Cabinet request Council approve that financial support be given to Freedom Leisure through an 'open-book' arrangement relating to utilities spend (up to £400,000) and the granting of a year 2 rent waiver (£354,000), noting the resultant financial implication above the current set budget gives rise to a supplementary budget request of £279,000.

2. INTRODUCTION

- 2.1 Following the approval of the Original Budget for 2022/23 in February 2022, this report provides an update on the General Fund, Capital and Housing Revenue Account budgets, adjusting for any budget changes now required.
- 2.2 The report also covers a specific recommendation with regards to financial support required by Freedom Leisure due to extreme pressures in utility expenditure and projected shortfalls in income.

3. BACKGROUND

- 3.1 Financial Monitoring is an important feature in the management of the Council's finances as it gives an opportunity to reflect on variations as against the latest set budget and reflect on the impact that these variations may have over the period covered by the Council's Medium Term Financial Plan.

4. UTILITY / INFLATION CRISIS AND ITS EFFECT ON THE COUNCIL

Utilities

- 4.1 The Council's base utility (gas and electric) budgets for 2022/23 total £298,230 in the General Fund and £396,960 in the Housing Revenue Account.

- 4.2 Unit consumption rates have increased from 1.92p to 5.64p per unit (194%) for gas and from 15.34p to 28.72p per unit (87%) for electricity. However, increases for the elements of bills for Standard Daily Charge and Consumer Climate Levy are varied across individual sites and are at lower percentage rates, meaning that the required budget increase for each site varies and is less than the headline consumption rate increases. The overall forecast financial consequence of the increases over the main service areas are as follows:

Table 1:

Service Area	Original Budget 2022/23	Revised Budget 2022/23	Variation
	£'000	£'000	£'000
Offices & Depots	185	376	191
Public Lighting	72	142	70
Public Conveniences	25	50	25
Other General Fund	17	36	19
TOTAL GENERAL FUND	298	603	305
Older Persons Accommodation	334	687	353
Hostels	41	80	39
Other HRA	22	83	61
TOTAL HRA	397	851	454
TOTAL	695	1,454	759

- 4.3 The contractual position with Freedom Leisure includes utilities costs as an operator risk. However, given the context of the extremity of scale of the increases, this report recommends the Council support additional utility costs incurred by Freedom Leisure up to an amount of £400k. (£300k 2022/23 and £100k 2023/24). More detail is included within section 5 of this report.
- 4.4 Within the Housing Revenue Account utility costs are generally largely recovered by service charges to individual tenants. Detailed work has now begun to review all establishments where utility charges are incurred, with a view to a mid-year increase in service charges.

Fuel

- 4.5 Assuming consumption at the same level as in 2021/22 and prices remaining at early July levels for the remainder of the year, fuel expenditure will exceed current budgets by £349,000 (£278,000 General Fund and £71,000 Housing Revenue Account). In addition, the Council can no longer use red diesel on its off-road vehicles which will increase costs by £24,000. (£19,000 General Fund and £5,000 HRA).

Other Inflationary Pressures and Summary

- 4.6 Increases in refuse and recycling sack prices are anticipated to increase costs by £70,000.

- 4.7 **The total forecast impact of the above inflationary pressures is to increase anticipated costs in 2022/23 by £972,000 to the General Fund, and £530,000 to the HRA.** These forecast variations are picked up in sections 6 and 8 of this report, which also include the other variations being reported at this time.

5. FREEDOM LEISURE ARRANGEMENTS

Transition Year Arrangements

- 5.1 The year 1 arrangements with Freedom Leisure were established on the basis of 'open-book' accounting. This was a familiar position adopted across the country with Local Councils and their Leisure operators. Due to the pressures on income during the hand-over, as a result of the pandemic, the contractual position was a fee payable by NFDC to Freedom Leisure in this first year; the 'Transition Year'.
- 5.2 Each month, Freedom Leisure provide the Partnership board (Portfolio Holder, Exec Head Fin & Corp, Exec Head Part & Ops and NFDC Contract Monitoring Officer) with a performance update, including key performance indicators and a summary of the monthly financial performance. A bi-monthly Councillors working group was also established to monitor the partnership. Where the monthly financial performance is behind target, on a cumulative basis, there is provision within the contract for NFDC to provide additional financial support, up to a total cap, set at £1.23m. This cap was indicative of where the NFDC in-house budget was set, prior to transfer.
- 5.3 Pressures on both income (namely memberships) and expenditure (namely utilities), will result in this cap being reached in the Transition Year. In keeping with the financial arrangements put in place within the contract, NFDC's financial commitment will peak at the £1.23m, with Freedom Leisure having the financial liability for any variation greater than this figure. Provision within the Council's 2021/22 yearend accounts has largely been made for this payment with a shortfall of £32,000 that will need to be funded through reserves.

Year 2 Arrangements

- 5.4 The contractual arrangements in place with Freedom Leisure made provision for an adjustment to take effect to the year 2 management fee; known as the 'Net Income Adjustment'. This was done in the context of significant uncertainty surrounding income projections as a result of the contract and operational arrangements transferring mid-way through a pandemic.
- 5.5 If updated forecasting demonstrates an expected income or expenditure variation, or both, of greater than 7.5% on the original business plan forecast, the Net Income Adjustment mechanism is triggered, resulting in a share of this shortfall to both NFDC and Freedom Leisure. This was designed to accommodate the likelihood of a further income variation in year 2, as a result of the unknown customer behaviours post-pandemic. Contingency was included within the NFDC budget for 2022/23 to accommodate a scenario which would remove the year 2 management fee, initially forecast to be made by Freedom Leisure, to NFDC.

- 5.6 Based on the income position as seen in the transition year, the income forecast for year 2 demonstrates a significant variance in comparison to the original forecast (c£1 million). This is reflective of a slower return to customer usage of the Leisure Centres and will undoubtedly also be linked to the current cost pressures faced by households across the Country, as a result of record levels of inflation and the significant increases in household utility bills. Disposable income has clearly been impacted, with some individuals having to de-prioritise gym membership and attendance at exercise classes.
- 5.7 The impact of the utilities crisis is having a material impact to costs at the Leisure Centres. Significant efforts are being made to reduce consumption, for example reducing pool water and pool hall temperatures, installing LED lighting and PIR motion detectors, replacing some pool plant machinery and launching a 'switch it off campaign' with all staff, but forecasts still demonstrate significant financial pressure in this area.
- 5.8 The request from Freedom Leisure, consistent with their asks of their other partnering authorities, is that a separate arrangement is reached, in order to tackle the extremity of utility pricing, which is seeing unprecedented levels of increases, far beyond the standard utility risk priced into the contract.
- 5.9 In order to support the partnership on a sustained footing and continue to protect the provision of services over the medium-long term, NFDC Partnership Board representatives have concluded that an open book arrangement specific to utilities should commence for year 2 of the contract (subject to a cap of £400k), and in reflection of the forecast year 2 income position, that the management fee be waived in the year (£354k). This arrangement would override the 'Net Income Adjustment' provision as included within the contract. It has also been recommended that the Council welcome bids by Freedom Leisure to the Council's Sustainability Fund during 2022/23, to further reduce utility consumption and therefore reduce overall Carbon emissions across the Council's wider estate.
- 5.10 This clear and structured support package will give Freedom Leisure the assurance it needs to plan strategically for a full service recovery over a longer period than originally anticipated.

	£'000
Utilities Contribution	400
Management Fee Waiver Yr 2	354
Overall Value of Financial Support	<u>754</u>

- 5.11 Freedom Leisure will still have a residual operating deficit to address in year 2 (i.e. their share of the overall forecast variation). Based on the forecasts used in discussions to date, this residual 'gap' equates to approximately £770,000. They will need to mitigate this in pricing and staffing and are considering specific adjustments to underutilised activities and products. This is exactly what NFDC would be required to do if the service were still in-house. With the revised partnership model as it is, the responsibility to see through these changes and make these decisions rests with Freedom Leisure; an organisation dedicated to the Leisure industry with over 100 sites within their management.

The Impact to the NFDC Budget

- 5.12 The Council's budget for 2022/23 included a £475,000 contingency, on the basis that the 'Net Income Adjustment' provision was included within the contract. In summary terms then, the £754k support package is largely offset by the £475k budget already built into 2022/23, **leaving £279,000 as unfunded** and so subject to a supplementary budget request.
- 5.13 The Council's balanced budget for 2022/23 included savings as a result of the new partnership arrangement of £530,000. In agreeing to the support as outlined above, the Council will still realise a net year 2 contractual saving of (£530,000 - £279,000) £251,000.
- 5.14 Had the operational transfer to Freedom Leisure not completed, the Council alone would be facing the financial challenge of an income shortfall of some £1M, and the forecast expenditure pressures of some £500k.
- 5.15 Figures quoted in paragraphs 5.1 to 5.11 are based on the Freedom contract financial year of July to June but the Council's budgets are based April to March. The impact of the supplementary budget required on the Council budget across the 2 financial years is therefore:

	2022/23	2023/24
	£'000	£'000
Utilities Contribution	300	100
Management Fee Waiver Yr2	246	108
Total Additional Cost	546	208
Less 2022/23 Budget Contingency	(475)	-
Supplementary Budget Request	71	208

- 5.16 The contract will continue to be monitored closely throughout year 2, and Freedom Leisure are well aware of the need to put the operating position on the footing consistent with the contractual arrangements as soon as practically possible.

6. GENERAL FUND REVISED PROJECTION

- 6.1 A General Fund budget of **£20.674 million** for 2022/23 was agreed by Council in February 2022.
- 6.2 Provision was included within the original 2022/23 budget for a 2% pay award and an additional £300,000 was built in to accommodate a wider pay review. The budget was set before details of cost of living increases were clear. Current negotiations suggest that a higher increase may be likely, but until a settlement is reached no additional budget is being built in at this time.
- 6.3 Rephasing of projects totalling £443,000 (General Fund impact of £393,000, HRA £50,000) has occurred from 2021/22, principally relating to;
- ICT Work Programme £200,000,
 - Appletree Court Emergency Power Supply £38,000,
 - Stillwater Park Maintenance £66,000,
 - Community Grants £77,000; and
 - Community Safety Grant £33,000.

- 6.4 In addition to the **Utilities (£305k)**, **Fuel (£297k)**, **Refuse & Recycling sacks (£70k)** and **Health and Leisure Centres (£71k)** increases detailed in paragraphs 4 and 5, new expenditure requirements are £201,000 and forecast net income increases are £330,000. The variations are set out in the following paragraphs.
- 6.5 **Economic Development (£50,000)** – The second-year contribution of £50,000 will be made by the Council to support the delivery of the Solent Freeport.
- 6.6 **Refuse & Recycling (net -£225,000)** – Additional recycling income of £300,000 on garden waste (£100,000), glass (£125,000) and dry mixed recyclables (£75,000) is anticipated but this is partially offset by additional staffing costs of £75,000 for additional garden waste loaders.
- 6.7 **Car Parking (£34,000)** – Business Rates Transitional relief has been removed on the car park in St Thomas Street, resulting in additional costs of £34,000.
- 6.8 **Dibden Golf Centre (-£30,000)** – On 1 June 2022 Cabinet approved updated funding arrangements with Mytime Active. The agreed final rent reduction is now being reflected in the 2022/23 budget.
- 6.9 **Health and Leisure Centres Year 1 (£32,000)** – Paragraph 5.3 of this report identifies a funding requirement of £32,000 for year 1 of the leisure contract that was not allowed for in 2021/22. This will now need to be funded from reserves in 2022/23.
- 6.10 **Planning Appeals (£33,000)** – Planning appeal costs of £33,000 have been incurred to date.
- 6.11 **Staffing (-£100,000)** – Vacancies inevitably occur across the Council, often with time delays in recruiting replacement employees; a vacancy saving adjustment factor is built into service budgets. Vacancy savings, one-off to 2022/23, above the adjustment factor are currently being reported in the Planning and Revenues & Benefits teams (£100,000).
- 6.12 **Electoral and New Council Arrangements (£77,000 22/23, £100,000 23/24)** – a project budget of £177,000 was reported to the Cabinet in May 2022 to accommodate resources required to deliver the changes arising from the Electoral Review, the introduction of new election legislation and the 2023 elections and supporting governance arrangements. This budget will span 2 financial years, and is currently being split £77,000 to 2022/23, and £100,000 to 2023/24.
- 6.13 The overall impact of all variations results in an updated General Fund Budget of **£21.288 million**; an increase of £614,000 from the original estimate The revised General Fund Budget for 2022/23 can be seen at Appendix 1, with further details on the variations being reported included within Appendix 2.
- 6.14 Initially the adverse variations will be met through reserves. Work will commence over the Summer on mitigations to offset the variations, with a view to bringing the forecast outturn for the 2022/23 financial year back more closely aligned with the original budget expectation. Progress will be reported back to the Cabinet within the next Financial Monitoring Report.

7. CAPITAL EXPENDITURE (General Fund and Housing Revenue Account)

7.1 A Capital Programme budget of **£42.074 million** for 2022/23 was agreed by Council in February 2022.

7.2 The latest forecast confirms variations totalling £700,000 and net rephasings into 2023/24 of £1.706 million. The main variations are summarised below:

Variations £700,000

- Open space Schemes – Developers' Contributions funding totalling £700,000 has been granted for Long Lane Ringwood (£435,000) and Ashley Recreation Ground (£265,000). These were originally approved by Council in 2015 but budget is only included in the detailed capital programme when they come to fruition, due to uncertainty about timing of project delivery.

Rephasings -£1,706,000

- Coast Protection Regional Monitoring Programme (£172,000)
- Lymington Quay Public Conveniences (£142,000)
- Health and Leisure Centres (£2,014,000)
- Vehicles & Plant Replacement Programme rephased to 2023/24 (-£1,281,000)
- ICT Work Programme (£75,000)
- Industrial site – Crow Lane (£672,000)
- Hardley Depot rephased to 2023/24 (-£3,500,000)

7.3 The changes, as above, result in an updated Capital Programme Budget of **£41.068 million** (Appendix 3).

7.4 The vehicle and plant rephasings are largely due to ongoing issues with the supply chain. This will also impact on the 2023/24 programme, which will need to be reworked as part of the Medium-Term Financial Planning cycle, as it is anticipated that costs on the rephased vehicles will have increased.

8. HOUSING REVENUE ACCOUNT

8.1 After allowing for contributions of £200,000 from earmarked reserves for the Housing ICT system replacement and Stock Condition Survey work, a break-even HRA budget for 2022/23 was agreed in February 2022, with a Revenue Account contribution of £9.120 million supporting the financing of the £24.900 million HRA Capital Programme.

8.2 Section 4 of this report identifies anticipated additional budget pressures of £530,000 from inflationary increases in utilities bills (£454,000) and fuel (£76,000), £14,000 of which will be absorbed within the existing capital Major Repairs budget.

8.3 Paragraph 6.3 identifies rephasing into 2022/23 of £200,000 for the ICT Work Programme. The share of this that will be allocated to the Housing Revenue Account is c£50,000.

8.4 The additional budget requirement identified in this report will initially be met from reserves, but work will continue to look to mitigate these increases from savings in other budgets and any additional income arising from the service charge review referred to in paragraph 4.4.

9. CRIME AND DISORDER / EQUALITY AND DIVERSITY/ENVIRONMENTAL IMPLICATIONS

- 9.1 There are no Crime & Disorder, Equality & Diversity or Environmental implications arising directly from this report.

10. PORTFOLIO HOLDER COMMENTS

- 10.1 The report for quarter one clearly highlights the changes in the global economy, in particular the increased cost of energy, and the knock on effect that this has on both the council and on our strategic partnerships. Because of our strong and prudent financial management, the Council is well placed to provide tailored one-off financial support to our Leisure Partner, Freedom Leisure, to help sustain the provision of the leisure centres to our residents during a challenging period faced by the Leisure industry.
- 10.2 In the short term, focusing on the direct impact to the Council's finances, we are well placed to manage the changes in our forecasts, but these inflationary pressures will require us to review our medium term financial forecasting to ensure that we continue to deliver a fully funded budget not just in the current year but also across the medium and longer term.

For Further Information Please Contact:

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Background Papers:

Cabinet 4 May 2022 -
May 2023 Elections

FINANCIAL MONITORING 2022/23

REVISED GENERAL FUND BUDGET 2022/23

	Feb-22	29-July-22			2022/23 £'000's Updated Budget
	2022/23 £'000's Original Budget	2022/23 £'000's New Variations Expend.	2022/23 £'000's New Variations Income	2022/23 £'000's New Variations Rephasings	
PORTFOLIO REQUIREMENTS					
Business, Tourism and High Streets	297	50	0	0	347
Environment and Coastal Services	4,100	389	-300	0	4,189
Finance, Investment and Corporate Services	3,778	-12	0	38	3,804
Housing and Homelessness Services	2,025	0	0	66	2,091
Leader	496	77	0	0	573
Partnering and Wellbeing	3,013	173	-30	42	3,198
People and Places	3,713	87	0	77	3,877
Planning, Regeneration and Infrastructure	2,696	-20	0	20	2,696
Multi Portfolio adjustments - To be allocated	0	235	0	150	385
	20,118	979	-330	393	21,160
Reversal of Depreciation	-1,589				-1,589
Contribution (from) / to Earmarked Revenue Reserves	-38	-35	0	-393	-466
NET PORTFOLIO REQUIREMENTS	18,491	944	-330	0	19,105
Minimum Revenue Provision	1,571				1,571
Contribution to Capital Programme Financing (RCCO)	1,750				1,750
Interest Earnings (Net)	-772				-772
New Homes Bonus	-366				-366
GENERAL FUND NET BUDGET REQUIREMENTS	20,674	944	-330	0	21,288
COUNCIL TAX CALCULATION					
Budget Requirement	20,674	944	-330	0	21,288
Less: Settlement Funding Assessment					
Lower Tier Service Grant	-179				-179
Services Grant	-276				-276
Business Rates Baseline	-3,997				-3,997
	-4,452	0	0	0	-4,452
Locally Retained Business Rates	-2,185				-2,185
Estimated Collection Fund (Surplus)/Deficit Business Rates	-199				-199
Estimated Collection Fund (Surplus)/Deficit Council Tax	-253				-253
Use of (-) Variation Reserves	0	-944	330		-614
COUNCIL TAX	13,585	0	0	0	13,585
TAX BASE NUMBER OF PROPERTIES	72,122.70				72,122.70
COUNCIL TAX PER BAND D PROPERTY	188.36				188.36
GENERAL FUND BALANCE 31 MARCH	3,000				3,000

FINANCIAL MONITORING 2022/23
 VARIATION ANALYSIS GENERAL FUND 2022/23

PORTFOLIO ADJUSTMENTS

Business, Tourism and High Streets

Solent Freeport - Cabinet report 21/03/22

Environment and Coastal Services

Refuse Collection & Recycling - Fuel price increase
 Refuse Collection & Recycling - Sacks price increase
 Recycling - Garden Waste - additional loaders/additional income
 Recycling - Glass sales income, £ per tonne higher than budget
 Recycling - Dry Mixed Recyclables income projection
 Parking - NNDR - end of transitional relief following revaluation

Finance, Investment and Corporate Services

Appletree Court Emergency Power Generator - rephasing
 Revenues and Benefits - Salary saving (vacant posts)
 Funding for a Debt Supervisor (New Forest Citizens Advice Bureau)
 Funding from Contingency re Regeneration & Growth- visioning work

Housing and Homelessness Services

Stillwater Park Maintenance

Leader

Elections and Democratic Services Project

Partnering and Wellbeing

Dibden Golf Centre - Rent income
 Health & Leisure Centres Operations Contract - YR 1
 Health & Leisure Centres Operations Contract - YR 2
 Air Pollution grant - rephasing
 Community Safety - rephasing of DCLG grant from reserve
 Public Lighting- increase in electricity costs

2022/23 £'000's New Variations Expend.	29-July-22		2022/23 £'000's Updated Budget
	2022/23 £'000's New Variations Income	2022/23 £'000's New Variations Rephasings	
50			
50	0	0	50
210			
70			
75	-100		
	-125		
	-75		
34			
389	-300	0	89
		38	
-32			
35			
-15			
-12	0	38	26
		66	
0	0	66	66
77			
77	0	0	77
	-30		
32			
71			
		9	
		33	
70			
173	-30	42	185

FINANCIAL MONITORING 2022/23

VARIATION ANALYSIS GENERAL FUND 2022/23

PORTFOLIO ADJUSTMENTS

People and Places

Grants			77	
Grounds Maint./Cemeteries - Fuel price increase/Red Diesel switch to White Diesel	19			
Street Scene - Fuel price increase/Red Diesel switch to White Diesel	43			
Public Conveniences - Electricity price increases	25			

Planning, Regeneration and Infrastructure

Policy - Bio diversity Grant			10	
Policy Atkins Rephasing			10	
Planning - Appeal costs	33			
Planning - Salary saving(vacant posts)	-68			
Regeneration & Growth- visioning work	15			

Portfolio adjustments - Non Direct

Offices & Depots Utilities (FIC&S Portfolio)	191			
ICT Work Programme (FIC&S Portfolio)			150	
Other General Fund Utilities (Various Portfolios)	19			
Other Services - fuel price increase (Various Portfolios)	25			

TOTAL PORTFOLIO ADJUSTMENTS

NON-PORTFOLIO ADJUSTMENTS

Interest Earnings				
Contribution to/from(-) Earmarked Reserves	-35		-393	

TOTAL NON-PORTFOLIO ADJUSTMENTS

GRAND TOTAL ADJUSTMENTS (Credited to (-) / Debited from (+) Budget Reserves)

2022/23 £'000's New Variations Expend.	29-July-22		2022/23 £'000's New Variations Rephasings	2022/23 £'000's Updated Budget
	2022/23 £'000's New Variations Income	2022/23 £'000's New Variations Rephasings		
			77	
	19			
	43			
	25			
	87	0	77	164
			10	
			10	
	33			
	-68			
	15			
	-20	0	20	0
	191			
			150	
	19			
	25			
	235	0	150	385
	979	-330	393	1042
	-35		-393	
	-35	0	-393	-428
	944	-330	0	614

FINANCIAL MONITORING 2022/23

REVISED CAPITAL PROGRAMME 2022/23

		Feb-22		29-July-22	
		2022/23	2022/23	2022/23	2022/23
		£'000	£'000's	£'000's	£'000
	Portfolio	Original	New	New	Updated
		Budget	Variations	Variations	Budget
			Expend.	Rephasing	
Sustainability Fund - Unallocated	LEADER/ALL	500	-200		300
Sustainability Fund - Crow Lane Solar Panels	LEADER/ALL		200		200
Disabled Facilities Grants	HSG (GF)	1,200			1,200
South East Regional Coastal Monitoring Prog (22-27)	ENV & COAST	1,978		-203	1,775
South East Regional Coastal Monitoring Prog (18-21)	ENV & COAST			363	363
South East Regional Coastal Monitoring Prog (12-17)	ENV & COAST			12	12
Barton Horizontal Directional Drilling Trails	ENV & COAST	225			225
Milford Promenade Handrail	ENV & COAST	115			115
Hurst Spit Baech Shingle Source Study	ENV & COAST	100			100
Public Convenience Modernisation Programme	PEOPLE & PL	300	-63		237
Public Convenience Refurbishment - Lymington Quay	PEOPLE & PL		63	142	205
Health & Leisure Centres	PART & WELL			2,014	2,014
New Depot Site: Hardley	F, I & CS	4,000		-3,500	500
V&P; Replacement Programme	F, I & CS	3,081		-1,281	1,800
Smarter Working; Future Delivery	F, I & CS			75	75
Economic Sustainability & Regeneration Projects					
- Crow Lane Ringwood	F, I & CS	4,995		672	5,667
Open Space Schemes	P, R & I		700		700
Transport Schemes	P, R & I				
Mitigation Schemes	P, R & I	680			680
TOTAL GENERAL FUND CAPITAL PROGRAMME		17,174	700	-1,706	16,168
HRA - Major Repairs	HRA	5,500			5,500
Major Structural Refurbishments	HRA	1,000			1,000
Fire Risk Assessment Works	HRA	3,000			3,000
Estate Improvements	HRA	200			200
Development Strategy	HRA	14,200			14,200
Disabled Facilities Grants	HRA	1,000			1,000
TOTAL HRA CAPITAL PROGRAMME		24,900			24,900
GRAND TOTAL CAPITAL PROGRAMME		42,074	700	-1,706	41,068

FINANCIAL MONITORING 2022/23

REVISED HOUSING REVENUE ACCOUNT BUDGET
2022/23

	Feb-22 2022/23 £'000 Original Budget	29-July-22 2022/23 £'000 New Variations	2022/23 £'000 Updated Budget
INCOME			
Dwelling Rents	-28,414		-28,414
Non Dwelling Rents	-672		-672
Charges for Services & Facilities	-732		-732
Contributions towards Expenditure	-60		-60
Interest Receivable	-58		-58
Sales Administration Recharge	-33		-33
Shared Amenities Contribution	-256		-256
TOTAL INCOME	-30,225	0	-30,225
EXPENDITURE			
Repairs & Maintenance			
Cyclical Maintenance	1,196	10	1,206
Reactive Maintenance	3,648	38	3,686
Supervision & Management			
General Management	6,209	112	6,321
Special Services	1,377	367	1,744
Homeless Assistance	91	39	130
Rents, Rates, Taxes and Other Charges	81		81
Provision for Bad Debt	150		150
Capital Financing Costs - Settlement Adjustment	8,322		8,322
Capital Financing Costs - Internal Borrowing	231		231
TOTAL EXPENDITURE	21,305	566	21,871
HRA OPERATING SURPLUS(-)	-8,920	566	-8,354
Contribution to Capital - supporting Housing Strategy	9,120		9,120
HRA Total Annual Surplus(-) / Deficit	200	566	766
Use of HRA Reserve for Major Projects	-200		-200
Return to Earmarked Reserves (ICT Rephasing)			
HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT	0	566	566