

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Cabinet
Finance & Audit Committee

Date: 31 January 2022 / 14 February 2022

Reporting officer: Assistant Director (Corporate Services)

Subject: Housing Revenue Account Budget Monitoring Report –
Quarter Three 2021/22

Purpose and summary of report:

To provide Members with information on actual performance against the approved Revenue and Capital budgets for 2021/22, including known variances agreed or identified through budgetary control activity.

To update Members on other key areas of financial performance that may affect the Council's Medium Term Financial Strategy, Medium Term Financial Plan, HRA Business Plan or Financial Statements.

Recommendations:

This report is for information only.

1. INTRODUCTION

- 1.1. The Constitution of the council requires Members to receive reports in respect of the council's finances and financial performance. This report therefore provides an assessment of performance against approved budgets for the 2021/22 financial year for the third quarter to 31 December 2021 as well as updating Members on other key areas of financial performance.
- 1.2. The council continues to operate robust budgetary control actions to ensure good financial governance and respond to the pressures on the council's finances. In addition to the reporting of financial performance through regular budget monitoring reports, these actions include:
 - Requiring all financial decisions and major acquisitions to be brought to Management Team for discussion and approval;
 - Appropriate controls in approving purchase orders;
 - Requiring recruitment activity, which affects either budgetary provision or results in a permanent change to the staffing establishment to be considered and approved by Management Team.

2. EXECUTIVE SUMMARY

HRA (Revenue)

- 2.1. At the end of Quarter 3, income and expenditure for the year remains balanced, albeit there remains an anticipated contribution from reserves to fund projected revenue expenditure for the year. Variances identified within the report result in a larger contribution from the HRA General Reserve to balance the budget than originally forecast. Favourable variances resulting from staff vacancies and reduced interest costs resulting from the slowed capital programme in 2020/21 have been offset by a larger draw on the HRA General Reserve to finance capital budgets rolled forward from 2020/21 and a potential reduction in rental income resulting from the slowed delivery of the New Build programme due to Covid-19.
- 2.2. The potential impact of Covid-19 was taken into account when setting the 2021/22 HRA budget. Therefore, there are no additional variances to expenditure or income to report. However, officers will continue to closely monitor the impact and highlight variances in the future at the earliest opportunity.
- 2.3. The level of Working Balances at year-end are projected to be £3.0m, the minimum level of Working Balances for the HRA. Movements in the year are projected to result in a net decrease in the General HRA Reserves of £747k, with the level of reserves being £2.8m at start of year and projected to be £2m at year-end.
- 2.4. The significant risk to the HRA's financial position continues to be the lack of clarity regarding funding and regulatory reform and any impacts of the COVID-19 pandemic beyond those considered at the time of budget setting.

Housing Capital

- 2.5. The revised budget for the Housing Capital Programme for the year is £24m, with expenditure and commitments to the end of Quarter 2 of £14.9m. Capital budgets totalling £2.9m have been carried forward to 2021/22, relating to the maintenance of the Council's housing stock, the New Build programme and the provision of Disabled Facilities Grants. The Council was awarded a grant via the Better Care Fund for Disabled Facility Grants that was £187k higher than assumed at the time of setting the budget in February 2021.

3. HOUSING REVENUE ACCOUNT

3.1. Budget 2021/22

- 3.1.1. The table below sets out the current forecast spend against the original budget for the Housing Revenue Account (HRA), based on variances to 31 December 2022. As at 31 December 2021, the forecast reflects a net favourable variance to original budget of £15k.

Description	Original Budget 2021/22 (£)	Forecast 2021/22 (£)	Variation (£)
Supervision and Management	5,996,680	5,908,020	(88,660)
Repairs and Maintenance	7,812,020	7,757,020	(55,000)
Depreciation	6,948,300	6,948,300	0
Intensive Management Fund - Expenditure	589,080	589,080	0
Capital Finance	7,794,080	7,868,580	74,500
Sub Total Expenditure	29,140,160	29,071,000	(69,160)
Rents of Dwellings	(26,273,300)	(26,234,470)	38,830
Other Rental Income	(14,700)	(14,700)	0
Service Charges	(1,782,900)	(1,792,810)	(9,910)
Non Dwelling Income	(140,000)	(115,310)	24,690
Intensive Management Fund - Income	(521,680)	(521,680)	0
Other Income	(110,620)	(110,620)	0
Sub Total Income	(28,843,200)	(28,789,590)	53,610
Contributions to/(from) reserves	(296,960)	(281,410)	(15,550)
Net Surplus/Deficit	0	0	0

Table 1: Housing Revenue Account 2021/22

3.2. SUPERVISION & MANAGEMENT – £89k FAVOURABLE VARIANCE

- 3.2.1. **Vacancy Management: £135k favourable variance** – the HRA staffing budget for 2021/21 incorporates a vacancy allowance of £100k for the year. It is anticipated that this will occur throughout the establishment as a whole from natural staff turnover within day-to-day business activities, as well as posts held vacant pending the re-design of services. For the first nine months to 31st December 2021, actual staffing spend was £135k lower than budgeted.
- 3.2.2. **Capita Housing System: nil variance** – due to delays implementing a new Housing System, the existing housing system, Capita, is being utilized and supported beyond the original termination date. This has resulted in adverse variance of £50k from the budgeted provision. However, Officers have reached an agreement with the new supplier that will offset the adverse variance in future years.
- 3.2.3. **Council Tax on Void Properties: £46k adverse variance**- 2021/2022 has seen a 31% increase on the number of void properties compared to last year which, through discussions with other providers, appears to be common across the social housing sector. There have been a number of challenges from an operational perspective such as a national shortage of materials and staff shortages due to Covid-19 both of which has had a consequential impact on the time it has taken to complete the work. Whilst the property remains void, the Council Tax associated with the property must be met from the revenue budget.

3.3. **REPAIRS & MAINTENANCE - £55k FAVOURABLE VARIANCE**

3.3.1. **Insurance Excesses: £55k favourable variance-** In 2020/21 adverse weather conditions caused roof damage to a number of properties in the borough and in the same year, a fire at a property in Palmer Avenue occurred. Repair costs for both events were incurred during the previous financial year and an insurance claim was submitted. Zurich have now reimbursed costs that the Council incurred which were above the insurance policy excess, which has resulted in a favourable variance of £55k.

3.3.2. **Repairs & Maintenance – nil variance –** A nil variance continues to be reported at this stage of the financial year, however, we are working closely with the Housing Team to monitor the impact of national delays in the supply chain and the associated increase in material costs that is affecting both Contractors and the in-house team which are challenging to manage within budget and may affect programme delivery.

The current impacts within Repairs and Maintenance include:

- External refurbishment: Significant increases in the cost of materials, 21-22 year programme has been amended to accommodate price increase.
- Compliance programmes: Reporting difficulties with sourcing materials/parts but no impact in service delivery.

Details of impacts on the Capital programme have been included in section 4.

3.4. **DEPRECIATION - NIL VARIANCE**

3.4.1. **Depreciation – nil variance –** there is no variance to report at this stage.

3.5. **CAPITAL FINANCING - £75K ADVERSE VARIANCE**

3.5.1. **Interest Cost Savings – £144k – favourable variance –** due to the Covid-19 related delays in the new build programme, there was a lower external borrowing requirement in 2020/21. This has reduced the anticipated cost of borrowing in the current financial year, resulting in a favourable variance of £144k against the original budget.

3.5.2. **Contribution to Capital Programme - £219k – adverse variance –** due to the impact of Covid-19 and subsequent delays to the capital programme during 2020/21 there was a reduction in the level of spend during the last financial year and, as a consequence, the draw from the HRA General Reserve to finance the capital spend was not required. However, this year there is now an increase in the required draw from HRA General Reserve to finance an element of the capital carried forward budgets. This has resulted in an adverse variance of £219k.

3.6. **RENTS ON DWELLINGS - £39k ADVERSE VARIANCE**

3.6.1. **Rents on Dwellings – £39k adverse variance–** Due to the Covid-19 impact on the delivery of the New Build programmes from 20/21 into 21/22, there have been delays in the completion of units resulting in an expected loss of rental income generated in the current year compared to budget projections. In Q2 it was reported to have an adverse variance of £184k on the budget, however, the rental of existing properties to new tenants at a higher weekly charge than previous tenants were paying has resulted in an improved position as at the end of Q3.

3.7. **SERVICE CHARGES - £10K FAVOURABLE VARIANCE**

3.7.1. **Service Charges on Dwellings – £10k favourable variance-** Following the completion and occupation of 147 Wrotham Road, an additional £10k service charges has been forecast to be received in 2021/22.

3.8. NON-DWELLING INCOME - £25K ADVERSE VARIANCE

3.8.1. **Commercial Rent - £32k favourable variance** – a favourable variance is forecast due to the increased rental income received for the hire of space for telecommunications masts on HRA land and buildings not known at the time of setting the budget.

3.8.2. **Garage Rent - £57k Adverse variance** – The New Build scheme within the HRA capital programme has utilised a number of garage sites for development. This has therefore reduced the number of units available for rent and therefore the potential income from garages has decreased. An exercise has been carried out as part of the budget setting exercise for 2022/23 to align future garage rental income budgets with the revised potential income. This has identified a forecast adverse variance against the current year's budget of £57k.

3.9. OTHER INCOME – NIL VARIANCE

3.9.1. **Other Income – nil variance** – as with rental income from dwellings there remains a possible impact of COVID-19 on commercial income. This was factored in when setting the budget for 2021/22 and therefore no further variance is reported.

3.10. WORKING BALANCES AND RESERVES

3.10.1. The variances outlined in this report have the following effect upon HRA working balances:

	£
Balance Brought Forward from 2020/21	3,000,000
Forecast Outturn position 2021/22	(281,410)
Forecast working balances C/Fwd (as at 30 Sept 2021) including minimum HRA Working Balance	2,718,590
Add: Transfer from HRA General Reserve (Revenue)	281,410
Forecast Usable Working Balances C/fwd (as at 31 Dec 2021)	3,000,000

Table 2: Effect on Housing Revenue Account Working Balances

3.10.2. The working balances are supplemented by specific reserves established to assist with future funding obligations or initiatives. The table below provides a summary of the forecast movements on these specific reserves during the year.

HRA Specific Reserves	Opening Balance 01/04/2021 (£)	Contributions (Income) (£)	Use of Reserve (Expenditure) (£)	Balance 31/03/2022 (£)
HRA General Reserve (Revenue)	(2,763,470)	0	746,870	(2,016,600)
Total	(2,763,470)	0	746,870	(2,016,600)

Table 3: Analysis of Specific Reserves – HRA

4. HOUSING CAPITAL PROGRAMME

4.1. The Housing Capital programme for 2021/22 is £23,978,630, of which £21,889,230 relates to HRA capital schemes and £2,089,400 relates to non-HRA capital schemes. These budgets include £1,869,940 and £1,069,800, respectively that are carried forward from 2020/21.

- 4.2. The HRA capital schemes continue to focus on maintaining the minimum decent homes standard for the Council's stock in 2021/22, with £7,666,620 earmarked for this purpose within the Replacement, Improvement, Health & Safety Works and Major Void Works Programmes. A further £250,000 has been set aside to deal with the refurbishment of major void properties. An additional £1,390,010 capital budgets have been agreed to provide the replacement Housing Computer System, Fire Doors and Replacement Play Equipment. The council also continues its commitment to build new homes with £12,582,600 allocated for this purpose.
- 4.3. As at the end Quarter 3, £14.9m has been spent or committed against the capital schemes detailed below. Officers will continue to monitor the impact of Covid-19 on the delivery of the capital programme.

HOUSING CAPITAL PROGRAMME				
Ref No:	Project	Original Budget 2021-22 inc CFwd (£)	Expenditure Including Commitments (£)	Balance Outstanding (£)
A	Replacement Programmes	3,910,190	2,363,810	(1,546,380)
B	Improvement Programmes	1,771,480	1,345,410	(426,070)
C	Health & Safety Works	2,083,950	1,943,610	(140,340)
D	Major Void Works	250,000	105,030	(144,970)
E	New Build & Acquisitions	12,582,600	7,274,480	(5,308,120)
F	Housing Computer Systems	345,080	0	(345,080)
G	Replacement Play Equipment	127,500	0	(127,500)
H	Bin Housing	49,470	27,377	(22,093)
I	CCTV	56,960	56,960	0
J	Fire Doors	712,000	647,050	(64,950)
	Sub Total (HRA Capital Programme)	21,889,230	13,763,727	(8,125,503)
K	Renovation Grants (DFG)	2,089,400	1,156,350	(933,050)
	Total (HRA & GF Capital Programme)	23,978,630	14,920,077	(9,058,553)

Table 4: Housing Capital Programme 2021/22

- 4.4. The following works were undertaken or completed by the end of Quarter 3 2021/22:

4.4.1. Replacement Programmes (Ref A)

- Kitchen renewals: 134 completed
- Bathroom renewals: 77 completed
- Windows and door renewals: 80 properties completed
- Roofing: 6 Blocks have had a roof renewal
- Electrical tests: 619 properties completed
- Electrical tests: 33 Blocks completed

4.4.2. Improvement Programmes (Ref B)

- Central heating systems/boilers installations: 240 completed
- Wet room installations: 34 completed
- Domestic stair lifts installations: 23 completed

4.4.3. Health & Safety Works (Ref C)

- Fire detection installations in general let properties: 190 completed
- Fire detection installations in sheltered properties: 188 completed

- Upgrades to communal fire detection and fire alarm systems: 3 Blocks
- Upgrades to door entry systems: 10 blocks
- Passenger lift refurbishment: Refurbishment works to two lifts completed with both lifts fully operational from Dec 2021.
- Fire rated front door replacements to flats: 19 Properties
This programme has resulted from one of the recommendations from the Hackitt report
- Carl Ekman water mains and soil stack renewal: The following works have commenced:
 - Replacement of cast iron soil and rainwater pipework estimated to complete March 2022
 - Replacement of water mains riser pipework estimated to complete March 2022
 - Installation of new bathrooms by DSO commenced November 2021
 - Compliancy Works to upgrade balconies to meet current regulations commenced at Carl Ekman House
- Carl Ekman: Fire Sprinkler upgrade following water mains upgrade. Preparatory works to all flats in progress. Project estimated to complete by March 2022.

4.4.4. As noted in section 3.3.2 the Capital programme is also being affected by the issues reported. These include:

- Heating installations: Contractors have been reporting an increase in the cost of materials and difficulty in sourcing materials. There has been no impact on service delivery, however some contractors are seeking significant increases in the contract price. These have yet to be agreed or confirmed.
- Bathroom programme have been scaled back to just void works due to difficulties with procuring materials.
- Planned programmes Roofing and Windows and Doors – on-going issues with delays in supply chains however these are shorter than previously experienced. Programme deliverables have also been affected by the current situation with the Omicron variant; contractors with staff having to self-isolate and tenants refusing access. At the present time both these programmes are working to tight deadlines for completion end March 2021 however this may extend into April 2021 if current situation continues.

4.5. **New Build (Ref E)**

4.5.1. In 2012 the authority signed an agreement with the DCLG to retain an element of the Right To Buy (RTB) receipts and use them as part-funding of new build and/or acquisition of additional social housing.

4.5.2. From 1 April 2021, MHCLG has amended the rules around the use of RTB receipts, allowing Local Authorities to fund 40% of costs incurred in the delivery of additional housing units from the use of RTB receipts, which is an increase from the previous limit of 30%. This means that Local Authorities are now only required to fund the remaining 60% of costs. MHCLG has also increased the requirement to spend RTB receipts from three to four years after they are generated.

4.5.3. The table below shows a summary of the new build properties that have been delivered since the original agreement was signed in 2012, as well as the number of additional properties, which are at various stages of delivery within the current programme. To date, the total number of new Council homes completed, under construction or with planning permission is 140. The Housing Development Team continue to work on a pipeline of potential development sites to increase the supply of social housing.

HRA Property Development Stage	Number of Properties
Delivered and Completed	49
Under Construction	84
Planning Permission Granted	7
Feasibility/Concept Design	334
Total Number of HRA Properties	474

Table 5: New Build Delivery

4.5.4. The following is the reported position at the end of Quarter 3:

- Whitehill (Admiral Beatty House) and Nansen Road – Scheme completed July 2021; comprising of 8 x 3 bed 5 person houses and 24 x 1 bed & 2 bed apartments. In defects liability period
- St Patrick’s Gardens (Bishops Court) – 4 Week Notice issued with handover and completion expected on the 24 January 2022; comprising of 22 x 1 bed & 2 bed apartments and 1 x 2 bed wheelchair dwelling. Snagging commenced with play equipment installed to new amenity space.
- Valley Drive (340/Mariner Court) – Works are continuing on site with brickwork almost complete and roof coverings going on; expected completion date summer 2022. The scheme will deliver 32 x 1 bed apartments for over 55’s including x4 wheelchair compliant homes to Block A and 15 x 1 bed & 2 bed apartments for general needs and 1 x 3 bed wheelchair dwelling to Block B.
- Constable Road – Works are continuing on site with brickwork and roof structures ongoing that will deliver a terrace of 6 x 1 bed bungalows and 1 x 1 bed wheelchair compliant bungalow and new play area to the open greenspace with expected completion Spring 2022.
- Armoury Drive – The former Milton Barracks site in Armoury Drive will see the construction of 2 x 1 bed detached bungalows and 4 x 2 bed apartments. Contract signed 20 December 2021 with an expected start on site of March 2022. 64-week programme with expected completion March 2023.
- St Columba’s Close – The Council’s first carbon neutral development adhering to a Passivhaus approach will deliver a mixed scheme comprising 12 x 1 bed and 31 x 2 bed apartments, 5 x 3 bed houses and 2 x 4 bed houses with general improvements to the public realm. Community engagement has commenced with design works ongoing with a planning submission expected June/July 2022.
- 147 Wrotham Road - In 2020/21 the Council purchased this property, to provide interim housing to assist vulnerable residents within the borough. The property includes 10 single rooms with en-suite facilities (including one wet room), and a further 4 multifunctional rooms which can be used as emergency overnight accommodation, shared kitchen, and dining facilities as well as facilities for staff. All major works have been completed and the property has been in occupation since November 2021.

4.5.5. The council is permitted to retain part of the RTB receipts to repay the debt incurred in 2012 as part of HRA self-financing. As of 1 April 2021, the RTB Allowable Debt reserve had a nil balance. This was due to the proposal to use any balance from the RTB Allowable Debt reserve to help fund the New Build projects, ahead of any other funding source, as this can either be used to repay debt or finance the capital programme.

4.5.6. Table 6 summarises the one for one receipts retained from the sale of Right To Buy properties, since 2012, along with the level of GBC's contributions required to deliver the New Build programme and a summary of when expenditure needs to be delivered to avoid having to return funds to Central Government.

	One for one receipts retained	GBC 70% contribution to new build	Value of new build expenditure expected	Cumulative value of new build expenditure expected	Date of new build expected by
	£	£	£	£	
2012-17 c/f	6,905,580	16,113,020	23,018,600	23,018,620	31-Mar-22
2017-18	1,811,560	4,227,000	6,038,560	29,057,180	31-Mar-23
2018-19	1,797,170	4,193,400	5,990,570	35,047,730	31-Mar-24
2019-20	2,869,320	6,695,080	9,564,400	44,612,130	31-Mar-25
2020-21	1,475,440	3,442,690	4,918,130	49,530,260	31-Mar-26
	14,859,070	34,671,190	49,530,260		

Table 6: New Build

4.7. Housing Computer System (Ref F)

4.7.1. The Council has received a formal response from the supplier following a dispute notice being sent to them for failing to provide a functioning system within the agreed timeframe. The formal response has been reviewed by Legal and Housing colleagues and work is currently underway to implement the new system.

4.7.2. The alternative solution from the supplier will better meet the needs of the Council, commercial agreement has been reached and final due diligence is taking place. Officers are also participating in a number of discovery workshops with the supplier in conjunction with initial delivery planning sessions to form a revised project plan.

Replacement Playground Equipment (Ref G)

4.8.1. A review of the replacement programme was undertaken in Q3 to ensure that the allocated budget and any potential grant funding is maximised. All sites have been reviewed and it is anticipated that the programme will be delivered in Q4.

4.8.2. Following the review of playground sites, it has been established that they will be available for public use and not limited to estate residents and therefore the expenditure can be funded from the Contain Management Outbreak Fund (COMF) monies. This expenditure will be reported as part of the General Fund programme and therefore the current budget of £127.5k will be carried forward into 2022/23.

4.9. Disabled Facility Grants (DFGs) (Ref K)

4.9.1. The grant funding awarded to the Council in 2021/22, via the Better Care Fund, was £1.020m, which was higher than the £833k that was, forecasted when the budget was set in February 2021. The total funding available for use in 2021/22 is now £2.089m, which is inclusive of the £1.070m that was carry forward from 2020/21.

4.9.2. The Council continues to offer the Disabled Facility Grant programme to homes eligible for assistance within the wider remit of the Better Care Fund.

4.9.3. All works previously impacted by Covid-19 have now progressed. As at Quarter 3, 62% of the annual budget has been committed/spent, amounting to £1.188m.

4.9.4. DFG referrals received to date totals 86 for 2021/22, of which, 68 DFG's have progressed to full application stage. There are 175 DFGs including those ongoing from previous years.

- 68 DFG grant cases were approved
- 56 households had works completed
- 27 applications were aborted or cancelled due to changes in the client's circumstances – Including 11 applications carried over from 21/22
- 52 grant cases are currently in progress but have not yet reached the full approval stage

4.9.5. The table below gives a comparison of the current level of DFG's to previous years.

	19-20	19-20	19-20	19-20	20-21	20-21	20-21	20-21	21-22	21-22	21-22
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Approved	22	14	25	23	4	6	26	22	30	55	68
Complete	19	16	11	21	12	8	10	21	15	44	56
Cancelled	5	7	11	3	0	2	8	7	1	12	27
In Progress	44	48	42	42	47	56	51	86	56	59	52
Total	90	85	89	89	63	72	95	136	102	170	203

Table 7: DFG Historic Claim Information

4.9.6. From 2022/23 the Disabled Facility Grant budget will be reported as part of the General Fund capital programme.

4.10. Capital Resources

4.10.1. Table 8 below, shows the resources available to fund capital projects in future. The use of funding takes into account schemes, which are expected to roll balances forward, as indicated in this report.

Housing Capital Resources	Opening Balance 01/04/2021(£)	Forecast Income 2021/22 (£)	Forecast Use of Funding 2021/22 (£)	Forecast Final Balance 31/03/2022 (£)
Capital Receipts - HRA	(1,010,350)	(259,490)	206,430	(1,063,410)
Capital Receipts - GF Housing	(86,180)	0	0	(86,180)
Capital Receipts - PV Panels	(3,573,000)	0	0	(3,573,000)
Major Repairs Reserve - Dwellings	(85,380)	(6,948,300)	6,701,680	(332,000)
Major Repairs Reserve - Non Dwellings	(69,700)	0	69,700	0
New Build Reserve: 1-4-1 Receipts	(6,349,860)	(3,078,660)	2,956,990	(6,471,530)
Right to Buy Allowable Debt Reserve	0	(673,360)	673,360	0
Disabled Facility Grants	(1,203,630)	(1,019,600)	2,089,400	(133,830)
Christianfields Overage	0	0	0	0
Meopham Police Station (s106)	(24,500)	0	0	(24,500)
General Reserve (revenue)	(2,763,470)	0	746,870	(2,016,600)
Total	(15,166,070)	(11,979,410)	13,444,430	(13,701,050)

Table 8: HRA and General Fund Housing Capital Resources 2021/22

4.11. HRA Business Planning

4.11.1. The HRA Business Plan is reviewed on an ongoing basis in order to take into account longer-term assumptions around inflation rates, central government grants and energy prices, together with building in all known variances to the budget resulting from Management Team and Cabinet decisions.

- 4.11.2. The HRA Business Plan reflects the current and future financial spend profiles identified in the recent Stock Condition Survey. It also reflects future forecasts of the New Build Programme beyond the existing three-year scheme based on the current assumption on the number of Council Houses sold per annum.
- 4.11.3. The latest version of the HRA Business Plans for capital and revenue are attached to this report at Appendices two and three.
- 4.11.4. The current version of the HRA Business Plan reflects the changes to the use of HRA 1-4-4 Right to Buy receipts which were recently announced by MHCLG and came into effect on 1 April 2021 (para 4.5.2). It also reflects the assumption that the number of properties sold under the Right to Buy scheme will continue to but at a reduced level of 20 per annum to the previous assumption of 30 properties per annum. Inflationary increases year on year have also been reviewed to reflect the current challenging economic conditions and supply chain issues.
- 4.11.5. Officers will continue to work on the Business Plan in conjunction with colleagues in Housing to review and assess the impact of other base assumptions within the model.

IMPLICATIONS	APPENDIX 1
Legal	There are no specific legal matters arising from this report.
Finance and Value for Money	The financial implications are contained within the body of this report.
Risk Assessment	The purpose of this report is to demonstrate financial performance as at 31 December against the original budget set for the 2021/22 financial year, and illustrate how this affects the Working Balances and Earmarked Reserves held by the Council.
Data Protection Impact Assessment	<p><i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i></p> <p>a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data?</p> <p>A definition of each type of data can be found on the Information Commissioner’s Office website via the above links.</p> <p>N/A</p> <p>b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice?</p> <p>N/A</p> <p>c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk.</p> <p>N/A</p>
Equality Impact Assessment	<p>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.</p> <p>No decision – paper is for information only.</p> <p>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.</p> <p>N/A</p> <p><i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i></p>
Corporate Plan	Strategic Objective #3 Progress; Sound Financial Management & Successfully Managing Key Business Risks

Climate Change	No direct implications
Crime and Disorder	No direct implications.
Digital and website implications	No direct implications.
Safeguarding children and vulnerable adults	No direct implications.