

Appendix 1

Budget Monitoring & Reporting 2021/2022

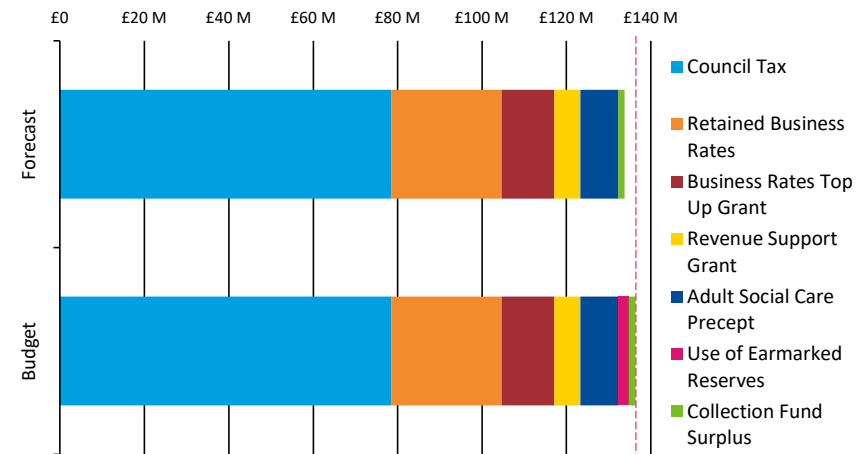
Period 08 - November 2021 Revenue Budget Performance



Summary

Last Reported Variance £M	Portfolio	Revised Budget £M	Forecast Outturn £M	Variance £M
(0.105)	Leader: Economic Recovery & Regeneration	7.145	7.005	(0.140)
1.491	Deputy Leader: Transport, Asset Management & Inward Investment	0.767	2.080	1.313
1.078	Adult Social Care & Health Integration	41.704	41.201	(0.503)
2.459	Children and Learning	31.690	34.120	2.430
0.071	Communities & Housing	4.311	4.356	0.045
0.555	Corporate Services & Performance Delivery	18.369	18.928	0.559
0.919	Environment, Culture, Tourism & Planning	8.220	9.122	0.902
1.556	Public Protection	14.172	15.547	1.375
8.024		126.378	132.359	5.981
0.281	Corporate Budgets	19.650	18.614	(1.036)
8.305		146.028	150.973	4.945
0.000	Contribution to / (from) earmarked reserves	(3.223)	(3.223)	0.000
0.000	Revenue Contribution to Capital	1.409	1.409	0.000
(1.387)	COVID-19 Income Compensation	0.000	(1.387)	(1.387)
(4.700)	Non Service Specific Grants	(7.924)	(12.624)	(4.700)
2.218	TOTAL	136.290	135.148	(1.142)
0.000	Funding (including Collection Fund)	(133.790)	(133.790)	0.000
0.000	Planned contributions from reserves	(2.500)	0.000	2.500
2.218		0.000	1.358	1.358

Sources of funding (£s)



There is still a huge amount of uncertainty around the transition to a world with less restrictions as communities and local economies open up again. It is also expected that we will all have to get used to living with COVID-19 and the Council may have to manage the potential hidden longer term impacts on demand for services and support required for our local residents and businesses. These issues have been exacerbated recently with the world-wide concern over the potential impact of the new mutant variant - Omicron.

The Local Government Sector was hoping for a 3-year settlement from the Comprehensive Spending Review for 2022/23 - 2024/25. The provisional finance settlement was published on 16th December 2021 and disappointingly it was for 1 year only, with major reform planned which potentially could result in a significant re-distribution of resources across Local Authority areas for years 2 and 3. The draft budget on this Cabinet agenda will provide an insight into the potential local implications and future risks associated with this national 'levelling up' strategy.

The Council has continued to mitigate expenditure and demand pressures throughout the year in order to try to create as much financial flexibility as possible in these uncertain times. As shown in the table above the headline Corporate Budgets and Service Portfolios are currently forecasting a combined reduced estimated overspend of £4.945M as at Period 8. This includes a decision to release around £1.4M of corporate contingency. The commentary to explain other forecast variances for individual portfolios are summarised in the appropriate section within this Appendix. Local service delivery, planning and financial performance have continued to be impacted by COVID-19 throughout 2021/22.

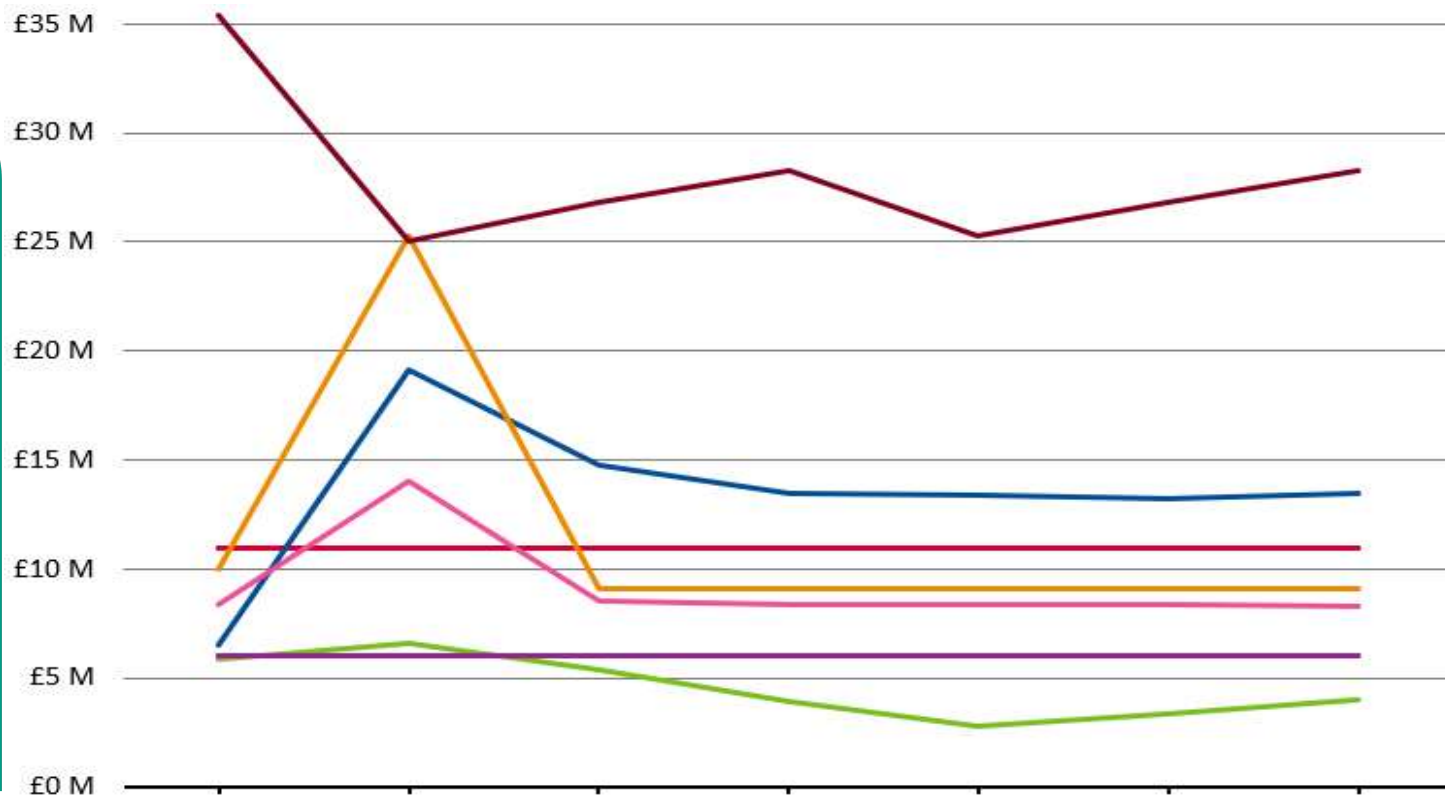
Due to the success of robust financial management during the year, the Council is now planning to defer the application of the approved £2.5M use of reserves to support the budget in 2021/22. This strategy will provide some flexibility for financial planning considerations for 2022/23 onwards. The overall net forecast overspend at Period 8 of £1.358M can currently be accommodated by the remaining uncommitted corporate contingency (circa £1M) and some Government funding that has not yet been distributed to fund eligible activities within services to control and manage the impact of the pandemic. With the recent outbreak of Omicron and the added uncertainty this brings - the situation will continue to be closely monitored through the remainder of the financial year.

Reserves

The Council maintains General Fund reserves at £11.0M in line with the Medium Term Financial Forecast. This provides a working cashflow balance and allows a degree of financial security in the case of unexpected events or emergencies.

In addition, Earmarked Reserves are set aside to fund future projects and to mitigate specific risk. The level of these reserves will fluctuate as grants are received, risk is realised and projects progress.

The increased balances in 2020-21 reflect the funding received in relation to COVID-19. Balances in 2021-22 are expected to return to more 'normal' levels as these reserves are used to support committed costs incurred during this year.

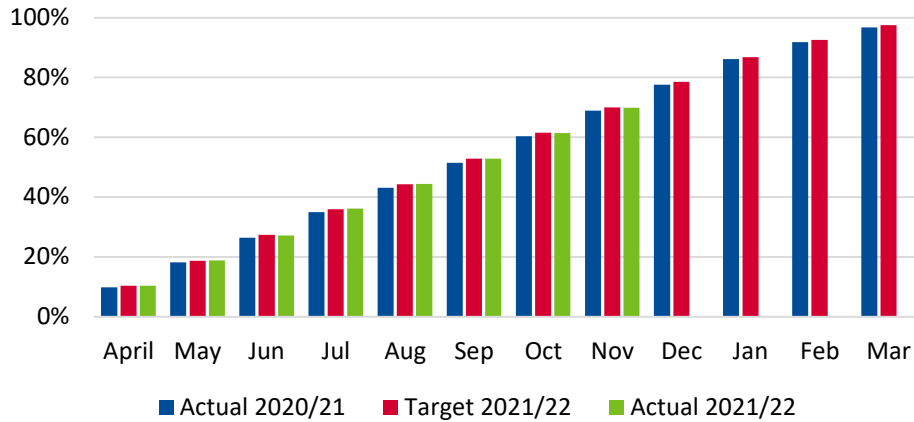


Reserves in £M	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
General Reserves	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Capital Reserves	5.9	6.6	5.4	3.9	2.8	3.4	4.0
Corporate Reserves	6.5	19.1	14.8	13.5	13.4	13.2	13.5
Grant Reserves	10.0	25.3	9.1	9.1	9.1	9.1	9.1
Insurance Reserves	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Service Reserves	8.4	14.0	8.5	8.4	8.4	8.4	8.3
Technical Reserves*	35.4	25.0	26.8	28.3	25.3	26.8	28.3
	83.2	107.0	81.6	80.2	76.0	77.9	80.2

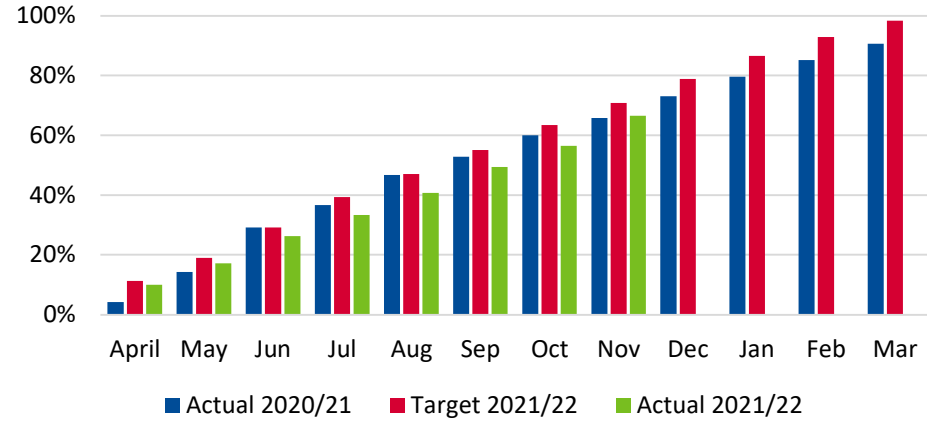
* Technical Reserves are held to even out the Council's finances and reduce in year volatility

Collection Rates

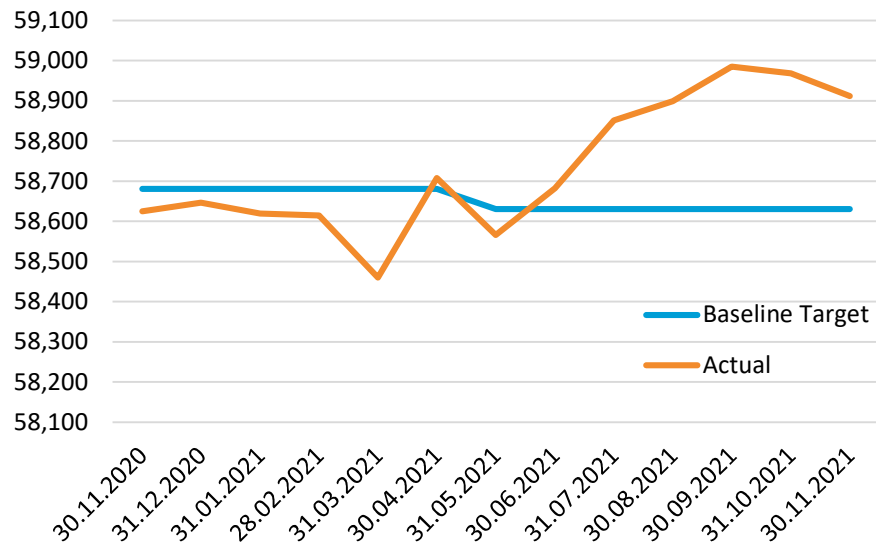
Council Tax Collection



Business Rates Collection



Council Tax Base



The Council Tax Base has increased by circa 280 Band D equivalents due to a combination of the CTR Scheme (Council Tax Reduction) being in a much better position (CTR dropped from £12.1M in Apr 21 to £11.7M in Nov 21 (excluding the new £150 Hardship)) and fluctuations in the number of exemptions awarded in the month.

Council Tax collection is 69.9% (0.1% below target) for the current year (£0.142M) but 6.2% lower than target for arrears (£0.563M).

Business rates in year collection is 4.3% (£1.4M) below target & arrears 2.9% (£0.116M) above target. This performance is primarily due to the timing, value and changing of the levels of national reliefs. Retail & Leisure rate reliefs are now 66% from 01.07.21 until 31.03.22 which resulted in new bills being issued. November's collection saw an increase in collection of 2.7% (£0.9M) to the monthly target.

Leader: Economic Recovery & Regeneration

3.64%

of Total Gross Revenue
Service Budget

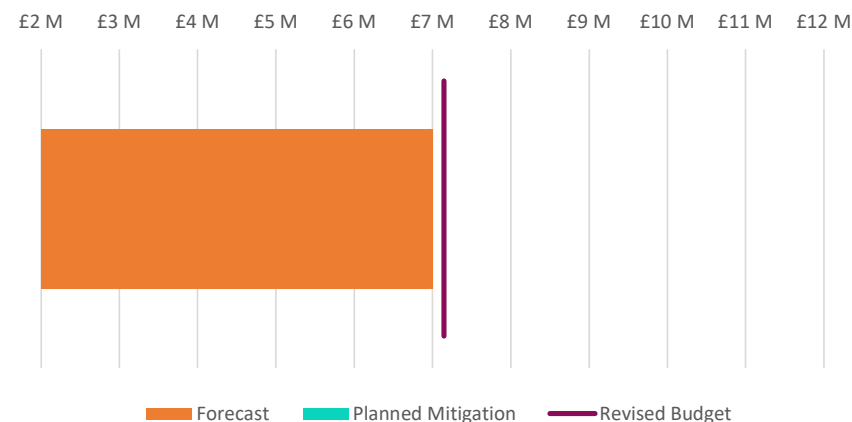
(£0.1M)

Forecast Favourable Variance

-0.11%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Adult and Community Learning	0.473	0.473	0.000
0.000	Civic Affairs	0.951	0.951	0.000
(0.020)	Corporate Budget and Resources Planning (Strategic Lead)	1.208	1.238	0.030
0.055	Corporate Planning and Strategic Direction	2.088	2.008	(0.080)
0.000	Emergency Planning	0.222	0.222	0.000
(0.033)	Housing Strategy	0.447	0.418	(0.029)
(0.060)	Other Services	0.827	0.847	0.020
(0.087)	Private sector housing standards and grants	0.490	0.355	(0.135)
0.000	Queensway Development	0.000	0.000	0.000
0.040	Regeneration and business growth	0.439	0.493	0.054
(0.105)		7.145	7.005	(0.140)
(0.105)	Gross Expenditure	11.695	11.555	(0.140)
0.000	Gross Income	(4.550)	(4.550)	0.000
(0.105)		7.145	7.005	(0.140)



There are currently a number of staffing vacancies in the Housing team which is offsetting staffing pressures caused by the engagement of interim agency placements. There are some additional costs in relation to the service redesign team, which has been created to improve the efficiency and productivity of services. Strong overall budget management continues and a positive outturn is forecasted to be delivered by the year-end.

Our Southend 2050 ambition remains strong and has helped to inform and focus our immediate economic recovery plans. The original programme for 2021/22 has been reshaped as a direct response to the impact of the pandemic which is shown in the Other Services line. New opportunities have arisen as a result of additional Government funding being made available to facilitate a number of events in the town in an attempt to boost local footfall and economic growth. This external funding is being utilised to provide additional support when secured.

Our commitment to wider networks such as the LGA, East of England LGA and ASELA (Association of South Essex Local Authorities) remains strong, especially during the recovery from COVID-19 and as such the subscriptions to be members of these organisations is planned to continue.

Deputy Leader: Transport, Asset Management & Inward Investment

4.94%

of Total Gross Revenue
Service Budget

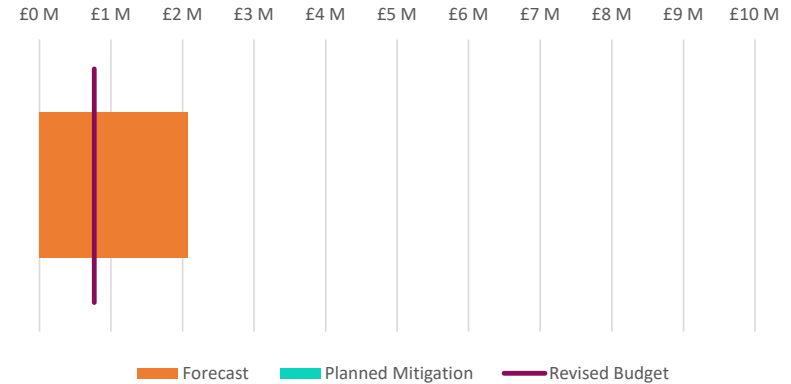
£1.3M

Forecast Adverse Variance

1.04%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.868	Car parks and all car parking matters	(7.098)	(6.644)	0.454
0.000	Concessionary Fares	3.140	3.140	0.000
0.000	Engineering (Bridges and Structures)	0.051	0.051	0.000
0.200	Highways (including maintenance)	3.302	3.710	0.408
0.091	Highways and Transport	(0.363)	(0.322)	0.041
0.131	Passenger Transport / Vehicle Fleet	0.159	0.290	0.131
0.111	Property and Commercial	(0.669)	(0.555)	0.114
0.000	Street signs and all signage (Highways)	0.059	0.059	0.000
0.090	Transport (including Transport Policy and Licensing)	2.186	2.351	0.165
1.491		0.767	2.080	1.313
0.836	Gross Expenditure	15.880	17.554	1.674
0.655	Gross Income	(15.113)	(15.474)	(0.361)
1.491		0.767	2.080	1.313



Due to the impact of COVID-19 national restrictions, car parking income was reduced in the opening quarter of the year and the Government's Local Authority Sales, Fees and Charges Compensation Scheme has been extended into the 1st quarter of this year to reflect that. Positively, income received in Q2 was above historic levels, showing that demand to visit and stay in Southend during the Summer was strong. This will be continually assessed and monitored throughout the year.

One lasting impact from the pandemic is the rapid transition from cash to card or electronic payments. These methods of payment incur card processing fees and due to the high volume of car parking transactions via this method it is adding a significant extra cost to the service. Security also continues at University Square car park to ensure a safe environment for its users. Increased costs associated with the security and cleaning in the Travel Centre are still being experienced.

Street lighting columns and other street furniture are replaced when damaged and although there is an increase in insurance claims to recover monies where possible there remains a financial pressure for this issue within the service overall.

The approved increase to the Highways establishment assumed an increase in the level of work undertaken to deliver the ambitious Capital Programme. Further analysis is required to ensure all legitimate capitalisation of salaries and associated costs is undertaken to appropriately charge all eligible expenditure to the Capital Programme.

As a result of the continuation of working from home practices, the Tickfield Centre is forecast not to generate as much income as anticipated this year. Overall this portfolio shows a slightly improved forecast position on what was reported at Period 6.

Adult Social Care & Health Integration

23.19%

of Total Gross Revenue
Service Budget

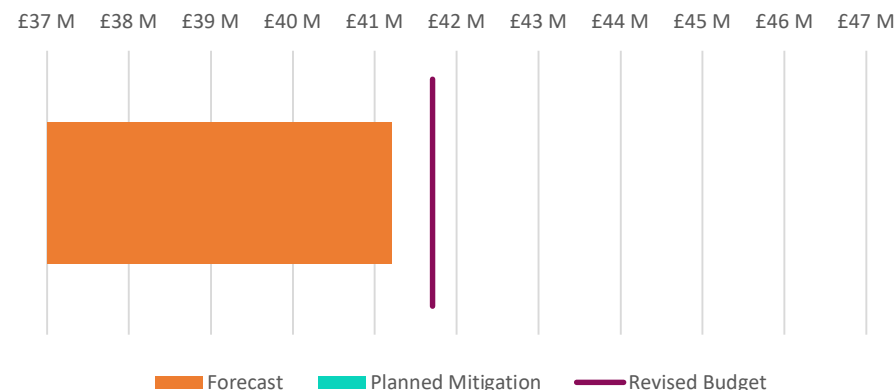
(£0.5M)

Forecast Favourable Variance

-0.40%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.055	Adult Social Care	33.397	32.214	(1.183)
0.108	Commissioning	5.218	5.090	(0.128)
0.915	Mental Health Services	3.089	3.897	0.808
1.078		41.704	41.201	(0.503)
1.189	Gross Expenditure	74.509	75.893	1.384
(0.111)	Gross Income	(32.805)	(34.692)	(1.887)
1.078		41.704	41.201	(0.503)



Adult Social Care & Health Services are reporting an improved position for 2021/22 as at Period 8. The main factors that have contributed to this improvement have been the confirmation of funding support to facilitate quicker discharges from hospital, other additional Government support and a reduction in demand for services from older people. This combination of factors has contributed to a forecast underspend of £0.503M on a net expenditure budget of circa £41M at this stage of the year, an improvement of circa £1.581M from Period 6. The ever changing impact of the pandemic means that the situation remains volatile and will continue to be closely monitored for the rest of the financial year. There remains significant financial pressure for care and support services to people with mental health & learning disabilities aged 18-64.

The medium to longer term impact of COVID-19 on budgets and service demand remains uncertain as people impacted by this are potentially required to have support earlier and for longer than would have previously been the case.

Levels of service use amongst older people remains lower than was previously the case due to ongoing COVID-19 concerns, particularly in the use of residential and home care. This has reduced the budget pressure for 2021/22. Clearly the needs of this group of people have not gone away and cost pressures and demand are likely to return to their upward trend over the medium term.

National Hospital Discharge funding in support of COVID-19 pressures is now assured until 31st March 2022. This will fund costs incurred during the first 4 weeks post discharge and has enabled clients to be released from hospital earlier. This should help to sustain the current improved forecast financial position for 2021/22.

Children and Learning

25.54%

of Total Gross Revenue
Service Budget

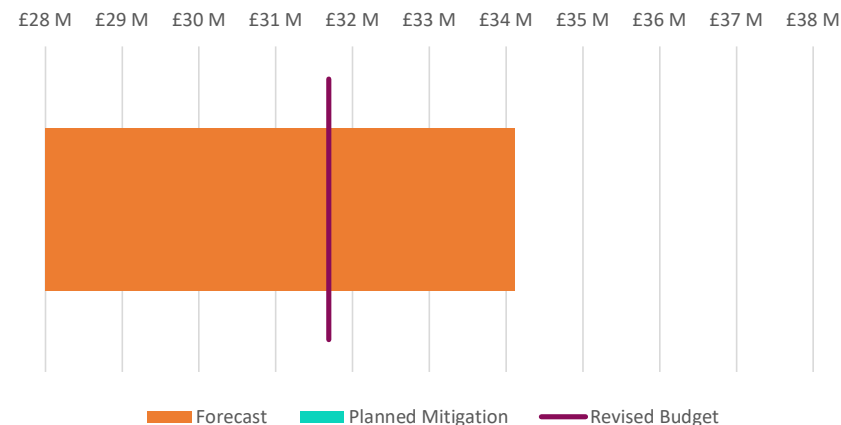
£2.4M

Forecast Adverse Variance

1.92%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
(0.045)	Schools, Education and Learning	2.873	2.719	(0.154)
2.321	Children's Services	24.558	27.063	2.505
0.208	Special Educational Needs and Children with Disabilities	2.117	2.196	0.079
0.014	Youth Offending Service	1.460	1.474	0.014
(0.039)	Youth and Connexions	0.682	0.668	(0.014)
2.459		31.690	34.120	2.430
2.739	Gross Expenditure	82.061	84.985	2.924
(0.280)	Gross Income	(50.371)	(50.865)	(0.494)
2.459		31.690	34.120	2.430



As expected, Children & Learning Services remains a high spend pressure area and is currently forecasting a net overspend of circa £2.430M, excluding the one-off £2.5M put aside to support the service as part of the approved 2021/22 budget. Although still a concern in headline terms this is a positive financial improvement from both 2019/20 and 2020/21. Most of this pressure is shown on Children Services.

Looked After Children (LAC) numbers reached a peak in 2019/20, reduced through 2020/21 and now have a broadly sustained reduction in 2021/22. There are 291 LAC as at the end of November 2021. The reduction in LAC numbers is having a positive effect on improving previous and significant spend pressures. Whilst this spend reduction is positive, reliance on LAC external care placements (the most expensive type of provision) remains high as a proportion of overall LAC placements with 98 currently projected ongoing placements as at the end of November 2021, equivalent to 34% of all LAC placements. This is the main cause of the spend pressure within Children Services. Work continues to re-build capacity for inhouse foster care placements with the aim of reducing these costs over time and improve outcomes for children in the care system.

It is currently proving difficult to recruit permanent staff, so this forecast includes a sustained pressure on the budget due to the use of agency staff to cover social work vacancies and maternity leave. The service is also anticipating additional funding pressures following requests from Government for local authorities to meet increased support for unaccompanied asylum seeker placements. Additionally, there is a funding pressure on Leaving Care accommodation payment costs and there are also increased costs related to COVID-19 resulting from both placement extensions and extra staffing to respond to the crisis.

The Children's service financial position remains subject to further volatility and spend pressure should the number of LAC increase again. The situation will continue to be closely monitored throughout the remainder of the financial year.

Communities & Housing

7.42%

of Total Gross Revenue
Service Budget

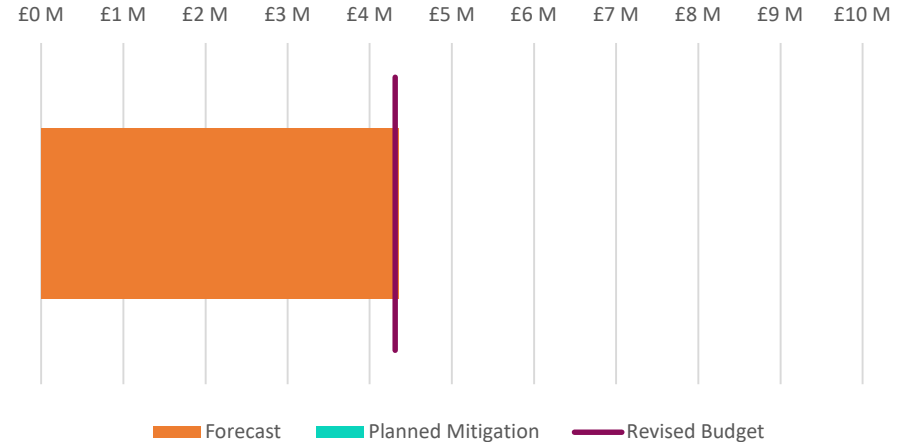
£0.0M

Forecast Adverse Variance

0.04%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Better Start and Early Years	0.612	0.612	0.000
0.000	Children’s Centres, Nurseries, Child Care	0.784	0.784	0.000
0.000	Community Cohesion and community assets	0.016	0.016	0.000
0.000	Domestic Abuse	0.151	0.126	(0.025)
0.060	Homelessness	0.231	0.326	0.095
0.011	Library Services	2.565	2.540	(0.025)
0.000	Public Health	(0.048)	(0.048)	0.000
0.071		4.311	4.356	0.045
(0.135)	Gross Expenditure	23.852	23.690	(0.162)
0.206	Gross Income	(19.541)	(19.334)	0.207
0.071		4.311	4.356	0.045



An historic saving target relating to hostel income generation remains challenging to deliver and as a result alternative savings proposals are currently being explored. Additional one-off ICT development charges have been incurred to update the Housing system to reflect changes to the Housing Allocation Policy. The service remains broadly on track for this financial year.

Corporate Services & Performance Delivery

25.59%

of Total Gross Revenue
Service Budget

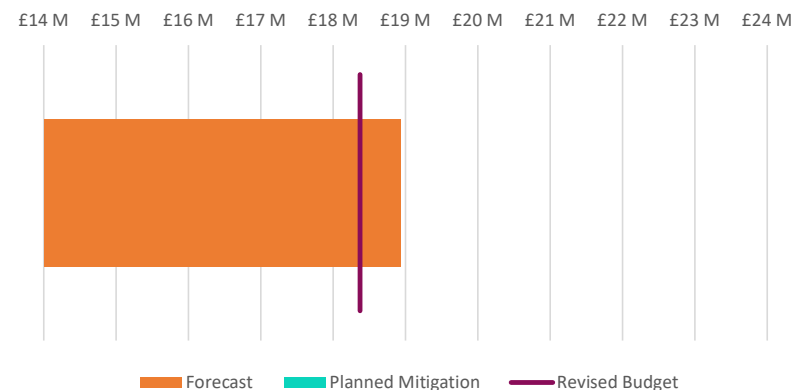
£0.6M

Forecast Adverse Variance

0.44%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.070	Corporate Budget and Resource Planning (monitoring, Capital Programme Delivery)	2.129	2.194	0.065
0.000	Corporate Procurement	0.866	0.841	(0.025)
0.305	Council Tax and Business Rates	(0.015)	0.195	0.210
0.790	Digital and Technology	3.622	4.417	0.795
0.060	Elections and Electoral Registration	0.401	0.461	0.060
0.005	Financial Services (including Insurance etc.)	0.396	0.396	0.000
(0.265)	Housing Benefit	1.764	1.389	(0.375)
0.065	Human Resources	1.999	2.129	0.130
(0.300)	Internal Audit	0.753	0.498	(0.255)
(0.083)	Learning and Workforce Development	0.945	0.945	0.000
(0.095)	Legal Services, Land Charges & Democratic Services	1.804	1.709	(0.095)
0.003	Performance Delivery	3.705	3.754	0.049
0.555		18.369	18.928	0.559
(0.657)	Gross Expenditure	82.214	81.518	(0.696)
1.212	Gross Income	(63.845)	(62.589)	1.256
0.555		18.369	18.929	0.560



Planned budget proposals in relation to Council Tax and Business Rates income should increase the net level of debt collectable by reviewing all discounts and exemptions. This 'extra' income will be reported in the summary table under the "Funding" section. Whilst e-billing is unavailable printing costs continue to be a pressure to this budget line, together with card processing fees as the transition to electronic payments on the website continue to increase. There are a number of vacancies within the Council Tax and Housing Benefit teams that are putting pressure on the teams but also providing some compensating savings.

As is being seen across a number of other teams, schools are reducing their use of SBC support services as they work across Academy trust portfolios. This is impacting the amount of income generated by ICT. As a result of further scoping works across the ICT estate, the savings delivery programme for 2021/22 has been delayed. These combined factors have created a significant pressure for 2021/22. Positively the planned laptop replacement programme is now complete which will result in extra income generated from the sale of older machines. Human Resources income is also impacted by a reduction in income from Schools.

There continues to be a significant number of vacancies within the Internal Audit function and to a lesser degree in other areas. It is still anticipated that the audit programme will be delivered this year, with the assistance of the addition of some temporary resource / external support.

Environment, Culture, Tourism & Planning

3.66%

of Total Gross Revenue
Service Budget

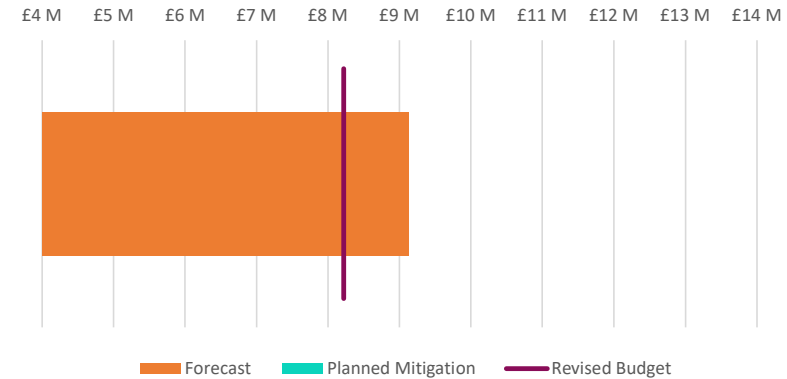
£0.9M

Forecast Adverse Variance

0.71%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	All matters relating to trees, plants, grass verges and other flora	0.556	0.518	(0.038)
0.030	Building Control (planning)	(0.017)	0.003	0.020
0.036	Climate Change, Renewable energy and Energy Saving	0.092	0.182	0.090
0.117	Grounds Maintenance	3.463	3.409	(0.054)
0.109	Museums and Galleries	1.278	1.388	0.110
(0.006)	Parks and Open Spaces	1.044	1.040	(0.004)
0.126	Planning Policy and Planning Control	1.115	1.343	0.228
0.200	Sea and Foreshore Defences	0.401	0.549	0.148
0.000	Southend Theatres	0.027	0.027	0.000
0.308	Sport Development	(0.122)	0.186	0.308
0.000	Tourism	0.383	0.478	0.095
0.920		8.220	9.123	0.903
0.505	Gross Expenditure	11.762	12.223	0.461
0.415	Gross Income	(3.542)	(3.100)	0.442
0.920		8.220	9.123	0.903



Coastal damage from storms has resulted in additional maintenance requirements along our shoreline. Increased inspections are also identifying defects more promptly. External support continues to be required to support the Sustainable Drainage Systems (SuDS) elements of planning applications and to provide geotechnical expertise as required.

Interim staff and specialist external / professional support are currently in place to support both the Planning and Climate change services with regards to the significant planning schemes underway (Better Queensway, Fossetts Farm), and the variety of externally funded projects the Council is currently engaged in.

In order to support the leisure provision recovery in the Borough the management fee payable from the operator has been waived for 2021/22.

Additional leasing and repairs and maintenance costs were initially incurred in the Grounds Maintenance service to ensure that there is enough equipment available to staff to operate safely during the pandemic but a rationalisation exercise has contributed to minimising these costs from Period 6. Income in this service area has also recovered as we have progressed through the year.

Income in the museums service has suffered this financial year, firstly due to national restrictions, and then from a lower number of visitors during the summer period. The first quarter of lost income has been included in the MHCLG (now DLUHC) sales, fees and charges compensation scheme claim.

Public Protection

6.00%

of Total Gross Revenue
Service Budget

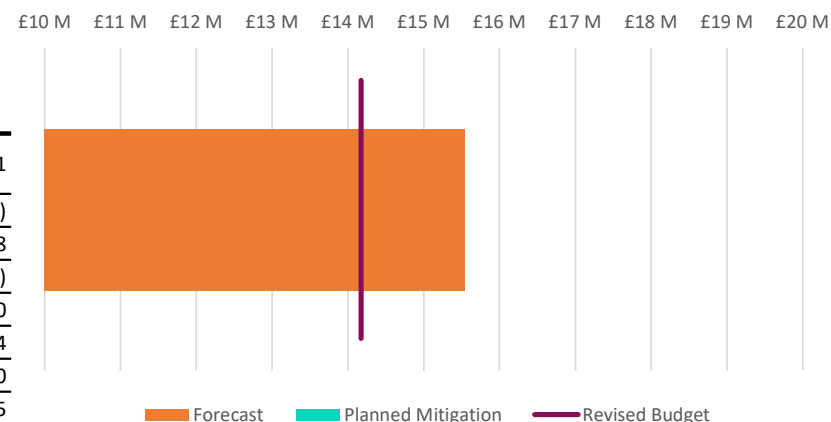
£1.38M

Forecast Adverse Variance

1.01%

Variance as % of Net Portfolio
Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.089	Cemeteries, Crematoria and Bereavement Services	(1.646)	(1.585)	0.061
(0.078)	Cleansing of highways and public realm	1.670	1.597	(0.073)
0.033	Closed Circuit Television	0.491	0.549	0.058
(0.050)	Community Safety	0.795	0.721	(0.074)
0.000	Domestic Abuse	0.000	0.000	0.000
0.113	Pier and Foreshore	0.431	0.545	0.114
0.000	Public Toilets and alleyways	0.510	0.510	0.000
0.020	Registration Services	(0.118)	(0.093)	0.025
0.019	Regulatory services	1.229	1.250	0.021
(0.028)	Town Centre Management	0.127	0.089	(0.038)
1.438	Waste collection, disposal, management, recycling & sanitation	10.683	11.964	1.281
1.556		14.172	15.547	1.375
1.445	Gross Expenditure	19.274	20.309	1.035
0.111	Gross Income	(5.102)	(4.762)	0.340
1.556		14.172	15.547	1.375



Whilst many people continue to work from home and could do so for the foreseeable future in some way, there has been a significant increase in the volume of household waste which is being collected and disposed of. This has been even higher than during the early formal COVID-19 lockdown periods. As a waste disposal authority, the financial consequences of this significant increase in tonnage is borne by the Council. The situation is now forecast to improve from Period 6 but this remains a significant challenge for the Authority and it is vital that ideally less waste is generated by residents and/or recycling rates are improved locally.

Income received on the pier and foreshore in Quarter 1 was impacted by pandemic restrictions, although the extension of the sales, fees and charges compensation scheme up to the end of June 2021 will assist in recovering some of this loss. Income during the second quarter and to date has improved.

The requirements for additional equipment at the cemetery and crematorium to ensure operations can be carried out respectfully and safely is currently resulting in a budget pressure. A wider review of the service is underway to attempt to accommodate additional costs from next year within current resource allocations.

Housing Revenue Account

(£0.1M)

Forecast Favourable Variance

-0.5%

Variance as % of Gross Operating Expenditure

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Gross Expenditure	25.040	25.409	0.369
(0.450)	Gross Income	(29.102)	(29.590)	(0.488)
(0.450)	NET OPERATING EXPENDITURE	(4.062)	(4.181)	(0.119)
0.000	Revenue Contribution to Capital	8.334	8.334	0.000
0.450	Contribution to / (from) Earmarked Reserves	(4.272)	(4.153)	0.119
0.000	TOTAL	0.000	0.000	(0.000)

HRA Reserves 2021/22	Opening Balance	Forecast Movement	Closing Balance
Capital Investment Reserve	27.1	(4.2)	22.9
Major Repairs Reserve	6.9	0.0	6.9
Repairs Contract Pension Reserve	0.6	0.1	0.7
HRA Reserve	3.5	0.0	3.5
HRA Reserves Total	38.2	(4.2)	34.0

The forecast for the Housing Revenue Account (HRA) as at the end of November 2021 indicates that it will have a net surplus of (£0.119M) in 2021/22, a positive variance of around (-0.5%) of gross operating expenditure.

This position is due to increased levels of rental income received (£0.488M) as a result of a lower level of voids within the housing stock. This demonstrates good housing management practice. As the planned affordable homes acquisitions programme progresses through the year there is also an anticipated increase in the numbers of units within the housing stock that will further increase the HRA's rental income streams in the future.

There is an anticipated pressure on HRA revenue repairs budget of £0.369M. This is due to a combination of increasing contractor costs, additional compliance requirements as well as works that were delayed from 2020/21 due to COVID-19 and national lockdown implications.

It is currently anticipated that any surplus will be transferred to the HRA Capital Investment Reserve at the year-end for future planned investment into improving the housing stock.