



Havering

L O N D O N B O R O U G H

Appendix 2
Final Outturn 24/25 Report
Variance analysis

Capitalisation Direction	£ms
Total Capitalisation Direction	32.50
Allocated to Services in the Budget (Built into the base budget)	14.00
Overspend - Additional Demand Placed on Capitalisation Direction Held Centrally	16.40
Total Demand Placed on Capitalisation Direction	30.40
Capitalisation Not Utilised	2.10

£2.1m of
Capitalisation
Direction
headroom left

- The Council was unable to produce a balanced budget for 2024/25 with required budget outstripping the funding envelope available to deliver Council Activities. To address this the Council modelled, the mid case and worse case scenarios for spend for 2024/25. The Council then sought a Capitalisation Direction up to the value of the worse case scenario, which amounted to £32.5m.
- The Service was allocated £14m of the Capitalisation Direction to fund the mid case, with the remaining £18.5m being held centrally in case the worse case scenario emerged.
- The Service overspent against the mid case by £21.6m, this was reduced by £5.23m due to Corporate underspends resulting in a £16.4m overspend against budget. This pressure of £16.4m was then offset against the remaining £18.5m budget held centrally for worse case scenario. The outturn position therefore resulted in £2.1m of headroom against the upper limit of the Capitalisation Direction, with £30.4m being required against the £32.5m upper limit.
- Further information on the break down of the overspends against Service is in the following slides.

	Revised Budget 2024-25	Provisional Outturn	Outturn Variance	Variance as % of Budget	Forecast Variance P9	Change from P9 Variance
TOTAL NET						
TOTAL NET	£m	£m	£m	£m	£m	£m
PEOPLE	159.39	180.00	20.61	13%	22.34	(1.73)
PLACE	14.81	16.44	1.63	11%	2.48	(0.85)
RESOURCES	28.35	27.75	(0.62)	-2%	(0.30)	(0.32)
TOTAL SERVICE DIRECTORATES	202.55	213.930	21.62	11%	24.52	(2.90)
Corporate Budgets	(5.03)	-10.260	(5.23)	-114%	(4.70)	(1.03)
TOTAL COUNCIL REVENUE	197.52	16.410	16.40	8%	19.82	(3.94)
Budget Financing	(197.52)	(197.52)	0.00	0	0.00	0.00
TOTAL NET	0.00	213.930	16.40	8%	19.82	(3.94)

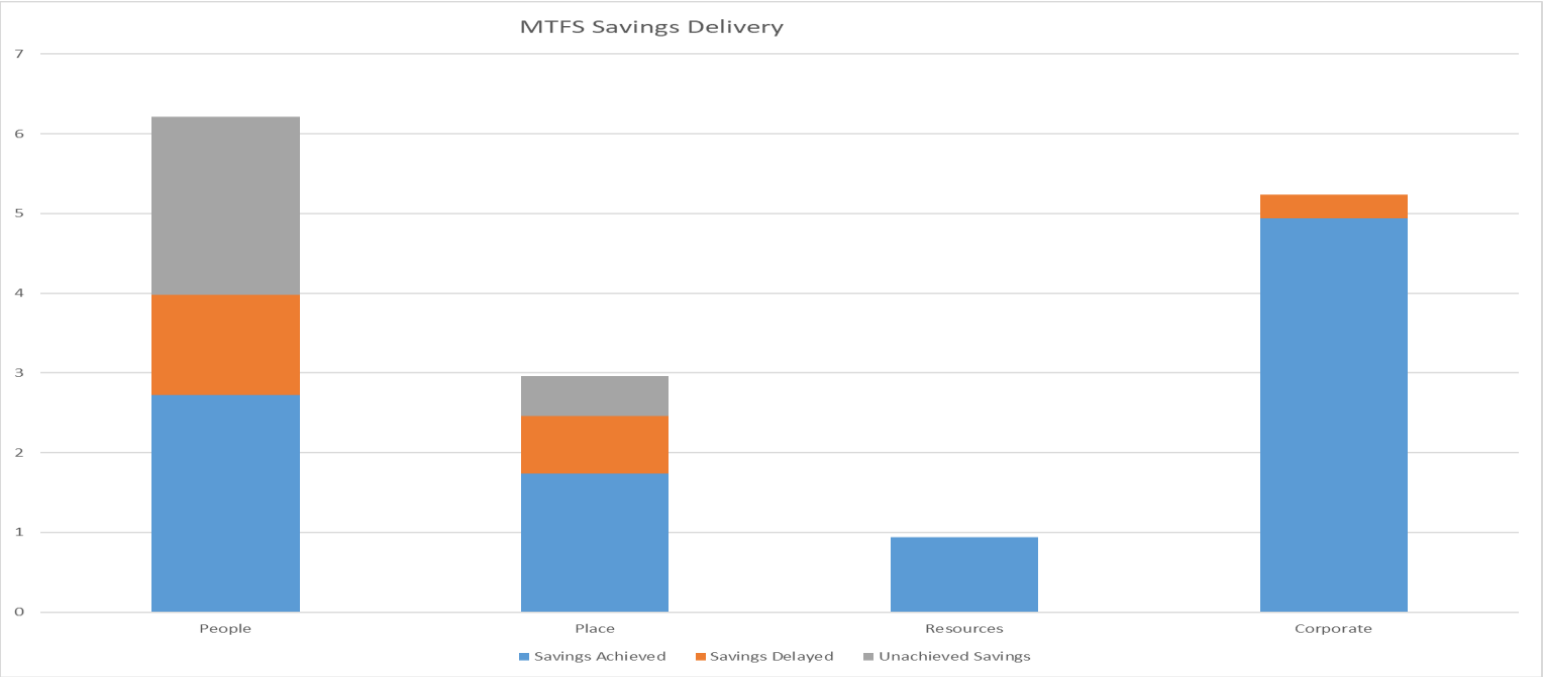
11% Over
Budget for
Service
Spend

- Overall the Council Services have overspent by £21.62m, against the mid-case scenario budget. This is a reduction against the Period 9 variance of £2.9m.
- The primary driver of the pressure is the People Pillar, with an overspend of £20.61m. This reflects demographic and demand pressures and the high cost of Social Care placements across all three phases.
- There is also a growing pressure in Living Well Housing Demand also related to demography/demand and a local housing market that makes it difficult to find affordable accommodation.
- There were also significant overspends in Place especially in Parking and Highways (mostly underachievement of income) and Housing and Property.
- Across the Council managers have worked to offset unavoidable overspends in demand driven areas by holding vacancies and reducing running expenses and discretionary spend. This has meant that the final outturn is an improvement on our last forecast position at Period 9
- However, there were also unachievable savings which have also contributed to the overall pressures.

Savings Outturn

	SAVINGS TARGET	SAVINGS ACHIEVED IN YEAR	SAVINGS NOT DELIVERED	% Achieved	SAVINGS EXPECTED IN 25-26	Unachievable Savings
Directorate	£m	£m	£m	%	£m	£m
PEOPLE	6.21	2.72	3.49	44%	1.26	2.24
PLACE	2.96	1.74	1.23	59%	0.73	0.50
RESOURCES	0.94	0.94	0.00	100%	0.00	0.00
CORPORATE	5.24	4.94	0.30	94%	0.30	0.00
TOTAL NET	15.35	10.33	5.02	67%	2.28	2.74

- £10.3m of the £15.3m savings target have been delivered in year and a further £2.3m have been delayed but are expected to be delivered in 25-26.
- Non achieved savings include savings in Early Help which are no longer being pursued post Ofsted and have been replaced by growth, alternate weekly collections and Living Well reviews.
- Savings delayed include Notting Hill JV, Environment staffing, Highways procurement and the Library review.



People Ageing Well Outturn - £7.4m OVER mid-case budget

The Havering you want to be part of

People Ageing Well	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
PEOPLE - AGEING WELL	£m	£m	£m	£m	£m	£m
Adult Social Care	45.200	52.820	7.620	17%	7.880	-0.260
Ageing Well Principal Social Workers	0.660	0.650	-0.010	-2%	0.000	-0.010
Adult Safeguarding	1.660	1.400	-0.260	-16%	-0.150	-0.110
TOTAL PEOPLE - AGEING WELL	47.520	54.870	7.350	15%	7.730	-0.380

15%
Over Budget

- The overspend is driven by market pressures and increased complexity driving up client costs and the savings not being realised.
- With only c30% of placements at or below the Havering set rates, combined with an increase in the complexity of needs amongst clients. We are seeing new clients coming into the service at a weekly rate of c£200 more than those clients leaving. The overall level of service users has remained static but within the year there are clients moving out and in of the system.
- The savings targeted allocated to ageing well was £2.9m of this £1.9m was achieved, the unachieved savings totalled £1.0m. Further information is contained in the savings slides.
- The Better Living and Targeted reviews delivered £1.2m savings against a target of £1.1m. The addition £0.1m were used to net of some of the unachieved savings in Living Well Social care.
- The movement from Period 9 is a reduction of £0.380m in variance. This reduction equates to 0.8% of the budget. There was a budget correction of £300k between Ageing and Living Well relating to a savings target. Therefore the real change in expenditure is a £0.080m decrease from period 9 to outturn which was driven by a reduction in safeguarding area due to delayed recruitment and the expenditure on assessments was less than forecast.

People Living Well Social Care Outturn - £4.95m OVER mibudget

The Havering you want to be part of

People - Ageing Well	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
LIVING WELL ADULT SOCIAL CARE	£m	£m	£m	£m	£m	£m
Mental Health - Section 75	1.76	1.15	(0.61)	-35%	(0.39)	(0.22)
Mental Health - Non Section 75	3.23	4.28	1.05	33%	0.95	0.10
Adult Services Business Management	0.60	0.66	0.06	10%	0.08	(0.02)
Learning Disabilities	29.84	34.24	4.40	15%	4.12	0.28
Living Well Staffing Costs	0.98	1.02	0.04	4%	0.05	(0.01)
Strategy and Commissioning-Living Well	0.00	0.01	0.00	0%	0.00	0.00
TOTAL LIVING WELL ADULT SOCIAL CARE	36.41	41.35	4.95	14%	4.80	0.15

14%
Over
Budget

- Living Well costs have increased due to a combination of increased complexity and market pressures, with the cost per client increases causing the pressure. The number of clients has remained relatively stable but this is being monitored closely as we are beginning to see an increase that could impact future years.
- A further contributing factor to this pressure is that c£1.0m of savings were unachievable. This was offset by the over achievement of the better living and targeted review savings in ageing well but there is still £0.775m amount of unachieved savings.
- The movement from Period 9 is an increase of £0.15m from the period 9 forecast position. This is driven by a £0.3m savings forecast inaccurately allocated to Living Well. Removing that impact the real underlying change is a £0.15m reduction against the Period 9 forecast.
- Within Mental Health there were several movements that offset one another with a net impact of a decrease of £0.12m. This is a combination of reduced NELFT recharge against an underspend against staffing costs.
- The Learning Disabilities area is showing as a £0.28m increase from the period 9 position, this is driven by the savings adjustment noted above of £0.3m that was forecast against ageing well for period 9.

People Temporary Accommodation Outturn - £3.27m OVER mid-case budget

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People – Living Well

	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
	£m	£m	£m	£m	£m	£m
HOUSING DEMAND						
Housing Demand Service (GF)	8.03	11.27	3.24	40%	2.31	0.93
GF Support Charges	0.05	0.08	0.03	60%	0.00	0.03
TOTAL HOUSING DEMAND	8.08	11.35	3.27	40%	2.31	0.96

40%

Over Budget

- The pressure within TA has been driven by a combination of factors in the sector. There are increases in people presenting as homeless and being places in hotels/Nightly lets. The more affordable TA provisions, such as Private Sector Landlords are reducing and the sector is more reliant on hotels and increasing Nightly Lets. This is at an extra cost of £14k - £30k per unit per year.
- The Chalkhill scheme to address the reliance on these more expensive provisions has also slipped from this financial year to the next meaning families have remained in the more expensive provision.
- As at period 9, the Housing Demand service area was forecasting an overspend of £2.310m, the outturn position was £3.270m, this is a increase of £0.960m from the period 9 forecast position. .
- The movement from Period 9 is an increased overspend of £0.96m in variance. The change in the forecast variance is due to a large volume of invoices paid during Q4 which resulted in an increase in the monthly rate of spend, resulting in a significant percentage variation in the forecast and outturn position. There are also issues with Housing Benefit claims being processed during 24/25 which has led to a variation in the income forecast. Housing Benefit claims are on hold pending system changes and housing benefit income will be processed retrospectively with the implementation of the system, providing active claims have been made. Officers have reviewed the data, processes and the systems, which has identified a number of issues regarding poor record keeping and off system workarounds which may have impacted on service delivery. Officers continue to analyse data relating to the issues found and there is a possible risk this may have led the Council to incur additional expenditure that could have been avoided, if robust controls were in place. A new system is being implemented in June 2025, which will ensure more robust financial management and remove the need for workarounds.

People Culture and Leisure Outturn - £0.35m under budget

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People – Living Well	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
CULTURE & LEISURE	£m	£m	£m	£m	£m	£m
Arts Services	0.11	0.19	0.08	73%	0.08	0.00
Indoor Sports & Recreation	(2.83)	(3.34)	(0.51)	18%	(0.09)	(0.42)
Queen's Theatre	0.23	0.30	0.07	30%	0.01	0.06
Social Halls & Comm Ctrs	(0.09)	(0.10)	(0.01)	11%	0.00	(0.01)
Sports Dev & Outdoor Ctrs	0.02	0.01	(0.01)	-50%	(0.02)	0.01
Health and Wellbeing	0.08	0.11	0.02	25%	0.02	0.00
Library Service	2.22	2.23	0.02	1%	0.02	0.00
TOTAL CULTURE & LEISURE	(0.27)	(0.62)	(0.35)	130%	0.02	(0.37)

Under Budget

- The underspend within Culture and Leisure is due to the conclusion of the mediation with our leisure contract provider meaning that income can be recognised in this financial year.
- The movement from Period 9 is a reduction of £0.370m from the period 9 forecast position. This change is due to the mediation outcome in relation to the SLM management fee inflation, our leisure contract provider. This was not added into the forecast until mediation had taken place and legal advice indicated that the invoices could be raised.

People Starting Well Outturn - £5.4m OVER mid-case budget

The Havering you want to be part of

8% Over Budget

People Starting Well	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
People - Starting Well	£m	£m	£m	£m	£m	£m
Education	12.300	12.690	0.390	3%	1.590	-1.200
Children's Social Care	53.920	58.780	4.860	9%	5.140	-0.280
Principal Social Worker	1.430	1.570	0.140	10%	0.750	-0.610
TOTAL PEOPLE - STARTING WELL	67.650	73.040	5.390	8%	7.480	-2.090

- An overspend of £5.4m driven mostly by demography and demand pressures and the rising cost of residential homes for Children with complex needs. The main overspending demand driven areas were:
 - £1.1m** in SEN Home to School Transport, due to increased demand for services.
 - £2.6m** in Children with Disabilities, driven by increased charges from providers for residential home placements, increases in direct payments, with a particular increase in short breaks for disabled children as a result of increasing numbers of EHCPs.
 - £2.1m** in Existing Placements, due to an increase in high cost residential care placements.
- In addition the Council has increased its investment in staffing and management across Childrens Services in response to the Ofsted Inspection. This led to a £0.4m overspend in staffing budgets as a result.
- There was an underspend of £0.6m in Leaving Care as a result of speedier move on for young people into more independent living and fewer high cost placements.
- The final outturn was lower than the P9 forecast as a result of additional grant funding, staffing vacancies and reduced agency, management action to reduce spend resulting in underspends in Education and a surplus on catering income.
- The Home to School transport outturn was also lower than forecast.

Dedicated Schools Block Starting Well Outturn - £5.4m OVER budget

The Havering you want to be part of

Dedicated Schools Block	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance	11% Over Budget
	£m	£m	£m		£m	£m	
Schools Block	92.674	91.223	-1.451	-2%	-1.188	-0.263	
Central Schools Block	1.774	1.774	0	0%	0	0	
High Needs Block	39.938	62.559	22.621	57%	22.200	0.421	
Early Years Block	35.731	33.987	-1.744	-5%	0	-1.744	
TOTAL DSG	170.117	189.543	19.426	11.42%	21.012	-1.586	

- The final position for the **overall in-year DSG** at the end of the financial year 2024-25 was **£19.426m overspend**, 11.42% of the overall in-year budget. This was less than £1.586m the original forecast. The original forecast was £22.2m, which was 12.48% of overall in-year budget, with an indicative cumulative overall DSG deficit position to increase from £15.3m to £36.3m overspend by the end of financial year 24-25. The **final cumulative overall DSG deficit** carried into 2025-26 is **£34.722m**.
- Within the overall total there is a very large overspend on the High Needs Block driven by increased demand. This block provides support for Children with Special Educational Needs – numbers of whom have been rising steeply year on year (around 200+ more each year.) In addition the costs are linked to pay for teaching and support staff which has been rising in recent years.
- The Department for Levelling Up, Housing and Communities (DLUHC) regulations has extended the Statutory Override for DSG until the end of financial year 2025-26. This regulation reduces the overall financial risks posed by the deficit falling on the council unearmarked general fund reserves.
- The DSG service has moved positively since Period 9 by **(£1.586m)**. This is due to the following:
 - **Schools Block*** – underspend in schools' Pupil Growth and Falling rolls fund, and de-delegated services for schools underspend of £37k
 - **High Needs** – in-line with updated projections, post Pd 9 forecast, that was reflective of additional SEND demand for support
 - **Early Years*** – roll-out for new entitlements (working parents – under twos and two years) - allocations updated based on Termly in line with LA expectations of funding.

Place Environment Outturn - £1m OVER mid-case budget

The Havering you want to be part of

ENVIRONMENT	Revised Budget 2024-25	Provisional Outturn 2024/25	Provisional Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
	£m	£m	£m		£m	£m
Parks	1.34	1.20	(0.14)	-10.4%	(0.08)	(0.06)
Parking	(8.56)	(7.62)	0.95	-11.1%	1.58	(0.63)
Divisional Overheads	0.38	0.19	(0.19)	-50.0%	(0.18)	(0.01)
Highways	4.05	4.98	0.93	23.0%	0.79	0.14
Business Support	0.99	0.78	(0.20)	-20.2%	(0.20)	0.00
Other Environment	0.60	0.55	(0.05)	-8.3%	0.03	(0.08)
Grounds Maintenance	0.80	0.79	(0.01)	-1.3%	0.02	(0.03)
Street Cleansing	6.43	6.08	(0.35)	-5.4%	0.06	(0.41)
Waste	4.34	4.40	0.07	1.6%	0.14	(0.07)
TOTAL ENVIRONMENT	10.36	11.36	1.00	9.7%	2.17	(1.17)

9.7%
Over
Budget

- Parking Services overspent by £0.946m. There was an under recovery of income £0.210m mainly across on and off street parking. The rest was mainly staffing related including an overall unachieved vacancy factor £0.095m, parking process/administration £0.122m and Parking Operations £0.531m.
- Highways overspent by £0.930m with three quarters attributable to under recovery of external income. These were partly mitigated by Street Cleansing & Waste (£0.281m) due to recharge to Romford Market, non-utilisation of transport budget and first year of FCC contract for Street Cleansing where variable costs were lower than planned, Management and Business Support (£0.391m) due to anticipated staffing vacancies held, Parks (£0.142m) over recovery of income and other services (£0.063m).
- The Environment Directorate has moved positively since Period 9 by (£1.168m).Despite Parking Services under recovery of income, it did see an improvement of (£0.492m) on the Period 9 forecast mostly attributed to higher PCN/MTC issuance plus reduced expenditure on supplies and services (£0.141m). All services with exception to Highways made a positive improvement to reduce the directorate overspend.
- Highways weakened due to lower external income activity £0.138m. This was the first year of the Street Cleansing & Waste FCC contract, with (£0.478m) positive movement across these two services due to a redundant transport budget, lower variable costs and recharge income from Romford Market.

Place Planning and Public Protection Outturn - £0.09m OVER budget

The Havering you want to be part of

PLANNING & PUBLIC PROTECTION	Revised Budget 2024-25	Provisional Outturn 2024-25	Provisional Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
	£m	£m	£m		£m	£m
Development Planning	0.81	0.73	(0.08)	-10%	0.05	(0.13)
Development Control Svs	0.46	1.39	0.93	202%	0.20	0.73
Local Land Charges	(0.15)	(0.17)	(0.03)	20%	0.01	(0.04)
Public Protection	1.25	0.82	(0.43)	-34%	(0.19)	(0.24)
Enforcement	1.07	0.77	(0.31)	-29%	(0.28)	(0.03)
TOTAL PLANNING & PUBLIC PROTECTION	3.44	3.52	0.09	2.6%	(0.22)	0.30

2.6%
Over
Budget

- Development Control £0.93m overspend is mostly attributed to a Planning Performance Agreement (PPA) £0.85, and higher contractor expenditure in Planning Control. The service is in negotiation with the sponsor to enter a revised PPA to cover this cost and future costs associated with the milestones yet to be achieved but these potential benefits will not be realised until 2025/26.
- All other areas within PPP mostly offset this pressure. Public Protection (£0.431m) two thirds was due to staffing vacancies primarily for Environmental Health and over recovery of income alongside reduced supplier expenditure. Enforcement (£0.307m) held vacancies and reduced expenditure in both its Civil Protection and Enforcement Teams. Local Land Charges and Development Planning (£0.108m) driven primarily through staffing vacancies and searches income.
- The movement to Period 9 variance has moved adversely since Period 9 by £0.301m.
- Development Control is the underlying adverse movement due to above mentioned PPA £0.85 which have been undertaken at risk. (£0.13m) additional improvement in income receipts since Period 9 have dampened the PPA impact. Development Planning (£0.13m) improvement through over recovery of income and lower expenditure. Public Protection (£0.24m) improved due to further underspending on staffing, in particular Environmental Health, improvement in income receipts and lower contractual expenditure.
- The remaining improvement is down to Local Land Charges searches income and Enforcement.

Place Housing Property Outturn - £0.54m OVER budget

Place - Housing & Property	Revised Budget 2024-25	Actuals YTD as Period 12	Forecast Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
	£m	£m	£m	%	£m	£m
Housing Property and Assets	(4.30)	(3.76)	0.54	-13%	0.31	0.23
Inclusive Growth	0.27	0.17	(0.10)	-37%	(0.08)	(0.02)
Regeneration & Place Shaping	0.28	0.57	0.29	104%	0.05	0.24
Asset Management	4.77	4.57	(0.20)	-4%	0.25	(0.45)
TOTAL PLACE - HOUSING & PROPERTY	1.01	1.56	0.54	53%	0.53	0.01

53%
Over
Budget

- All The primary drivers of the overspend remained the same as Period 9, the retention of Mercury House and associated running costs, lost income in Commercial Rents from Hildene Shopping Centre Regeneration activity and impact of Romford Market investigation were partially mitigated by staffing underspends, an improved health and safety position and lower expenditure within revenue maintenance for school buildings.
- The movement from Period 9 is adverse by £15k
- Housing Property & Assets moved adversely £0.236m mainly due to at P9 forecasting utilities and rates at underspend not realising budgets would realign to actuals.
- Regeneration & Place Shaping also moved adversely by £0.243m mainly due to not expecting a street cleansing recharge to go through at Period 9 (also the case in Environments).
- However, these adverse movements were virtually offset by Asset Management (£0.444m), Health and Safety income and reserve drawdown were increased (£134k), increased underspends on staff vacancies (£197k) and reduced revenue maintenance expenditure on Schools made up the balance.

Resources - £0.62m UNDER budget

The Havering you want to be part of

RESOURCES	Revised Budget 2024-25	Actuals YTD as Period 12	Outturn Variance	Variance as % of Budget	Forecast Variance P9	Change in Forecast Variance
RESOURCES	£m	£m	£m	£m	£m	£m
Resources - Public Health	(0.17)	(0.17)	0.00	0%	0.00	0.00
Resources Non-Shared LBH	0.98	0.60	(0.39)	-40%	(0.04)	(0.35)
Resources - HR & OD	2.21	2.38	0.17	8%	0.22	(0.05)
Resources - Customer Services Transformation & IT	3.04	2.62	(0.42)	-14%	(0.35)	(0.07)
Resources - Finance	5.69	5.59	(0.10)	-2%	(0.10)	0.00
Resources - Communication	0.92	0.78	(0.15)	-16%	(0.04)	(0.11)
Resources - Partnerships	0.71	0.98	0.27	38%	0.21	0.06
oneSource Shared (Havering)	12.06	12.27	0.21	2%	0.00	0.21
Resources - Public Health - Non Grant	2.91	2.70	(0.21)	-7%	(0.20)	(0.01)
TOTAL RESOURCES	28.35	27.75	(0.62)	-2%	(0.30)	(0.32)

2%
under
Budget

The underspend is a net position made up of:

- (£0.4m) early delivery of 25/26 senior management restructure saving;
- (£0.4m) underspend in connection with Housing Benefit overpayment recovery;
- (£0.2m) vacancy management within executive Support function;
- (£0.1m) over-achievement of income against target in communication services; partly offset by
- £0.3m savings pressure, recharge income shortfalls & spend miscodes within Partnerships; and
- £0.2m preparatory costs associated with the split and return of staff and technology from oneSource ICT to sovereign control

The movement from Period 9 to Outturn improved by (£0.5m) from the (£0.1m) projected at period 9. The movements were as follows:

- (£0.4m) Housing Benefit overpayment recovery – owing to the high volumes and complexity involved in processing £47m of benefit payments, projections relating to the extent of overpayment recovery are difficult to make with certainty in the first half of the financial year and forecasts erred on the side of prudence and caution;
- (£0.1m) communication income - forecasts at period 9 didn't reflect the full extent of UKSPF grant income the service received

HRA Outturn - £7.04m UNDER budget

The HRA is the Councils Housing Revenue Account which reflects the Councils acting as a Landlord. Acting as Landlord the Council will spend money on maintenance, repairs, grounds maintenance, customer services and IT to support the functions as Landlord.

Housing Revenue Account	Revised Budget	Provisional Outturn	Outturn Variance	As % of Budget	Forecast Variance P9	Change in Forecast Variance
	£m	£m	£m		£m	£m
HRA Policy and Performance	0.97	0.67	(0.30)	-31%	(0.23)	(0.07)
HRA Customer Services and IT	1.28	0.94	(0.34)	-27%	(0.04)	(0.30)
HRA Housing and Property	(2.82)	(9.24)	(6.42)	228%	(0.18)	(6.24)
HRA Living Well	0.57	0.59	0.02	4%	(0.01)	0.03
TOTAL HRA	0	(7.04)	(7.04)		(0.46)	(6.58)

- **Resources - Public Health - HRA** - The (£0.07m) movement is the result of additional income received from hall hire.
- **Resources - Customer Services Transformation & IT HRA** - The (£0.29m) change from Period 9 is due to software contract costs being included in the forecast, that were not finalised before year-end.
- **Place - Housing & Property HRA** - The (£6.2m) movement is due to recruitment delays, capitalisation of staffing costs and additional RTB income. (£0.25m) and savings on the CCTV & Enforcement recharge due to vacancies in the service (£0.09m). The following year-end adjustments also contributed to the underspend, with recharges being less than expected due to a lack of supporting evidence, posts not being filled or actuals being lower than expected. (£0.56m), a rent surplus (£0.5m), leaseholder services charge surplus, with more leaseholders added during the year (£0.84m), council tax for the second half of the year being based on an estimate (£0.22m), bad debt provision due to write offs (£0.32m),
- Interest on borrowing was less due to capital expenditure being below that forecast (£2.07m), JV interest (£1.16m), leaseholder contributions to major works, with payments captured at year end (£0.7m), Bridge Close loan gains (£0.35m), reserve balance (£1.9m), MRP Impairment adjustment £2.8m.