

Southwark Council

Housing and Modernisation

Budget Book

2017-18

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Departmental Overview

Housing and Modernisation comprises: Asset Management, Communities, Resident Services, Customer Experience and Modernisation. There are also a number of functions that are not service specific which fall under the heading of Central Services. The provision of services such as income management (rents, tenant and homeowner service charges and garage rents, etc.) and the in-house repairs contractor – Southwark Building Services –, fall within the remit of Finance and Governance and Environment and Social Regeneration respectively.

In delivering the council's vision, as outlined in the Fairer Future Promises, the department aims to maximise investment in the housing stock, build new council homes at council rents and improve performance in all core service areas. There is an aspiration to work closely with residents to deliver consistently high quality services, achieve better value for money and continue to support the most vulnerable residents, particularly those in temporary housing need. Activities are primarily focused on:

- Ensuring council housing is warm, dry and safe including a kitchen and bathroom renewal programme.
- Delivering an improved and customer orientated housing repairs service, including an enhanced voids letting standard.
- Delivering an enhanced homeowner service and ensuring that charges are accurate and fair.
- Tackling fraud and ensuring that homes are allocated to those in genuine housing need.
- Increasing housing supply and reducing the use of temporary accommodation.
- Improving the customer experience and increasing digital service delivery.
- Delivering efficiency savings and improving value for money.
- Involving customers in the improvement and local management of services.
- Developing the department's equalities framework.

General Fund

The department delivers a diverse range of services funded from both the council's General Fund and the ring-fenced Housing Revenue Account (HRA) for landlord services.

In developing budget proposals, the department is committed to delivering savings that as far as possible protect frontline service provision. The drive towards greater operational efficiency through service rationalisation/integration and moving towards more cost effective customer transaction routes continues apace and is integral to the achievement of this.

The total General Fund budget on which savings are predicated is £41.948m against which £3.547m has been identified for 2017-18, comprising predominantly efficiency savings of £2.686m. These have largely been identified through revised and more efficient working within the housing service and more collaboratively across the council, streamlining back-office structures and reducing management overheads and pursuing alternative service delivery models.

These proposals address a number of key budget themes, such as digital by default, reduce and integrate and managing demand. However, given the scale of reductions in central government funding it has not been entirely possible to achieve the required level of savings without some limited impact on service delivery to the value of £679k. There is also £182k of additional rental income predicated against Tooley Street.

The commitments and savings approved for 2016-17 and 2017-18 are summarised below, and reflected in the divisional budget analysis set out below.

Commitments	2016-17	2017-18	Total
	£000	£000	£000
Communities	2,290	2,000	4,290
Modernise	2,261	1,343	3,604
Customer Experience	2,645	0	2,645
Total	7,196	3,343	10,539

Savings	2016-17	2017-18	Total
	£000	£000	£000
Asset Management	-98	-36	-134
Communities	-475	-174	-649
Resident Services	-122	-55	-177
Modernise	-2,010	-2,048	-4,058
Customer Experience	-1,665	-1,221	-2,886
Central Services	-22	-13	-35
Total	-4,392	-3,547	-7,939

General Fund Summary Budget Analysis

Divisional analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Asset Management	279	163	294	12	0	-36	432
Communities	11,552	8,733	0	15	2,000	-174	10,574
Resident Services	530	991	-238	6	0	-55	704
Modernise	25,730	23,573	157	176	1,343	-2,048	23,201
Customer Experience	31,131	28,395	131	123	0	-1,221	27,428
Central Services	3,529	2,816	394	0	0	-13	3,197
Net Budget	72,751	64,671	738	332	3,343	-3,547	65,537

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	27,685	23,139	-378	232	758	-1,576	22,175
Premises	11,285	16,409	152	0	0	-227	16,333
Transport	291	242	-5	0	-2	0	235
Supplies and Services	23,183	4,567	6,013	100	116	-1,021	9,775
Third Party Payments	8,110	22,856	-5,920	0	2,000	-541	18,395
Transfer Payments	13,094	13,153	0	0	0	0	13,153
Support Services	3,795	3,425	667	0	0	0	4,091
Capital Charges	6,922	6,922	0	0	0	0	6,922
Total Expenditure	94,364	90,713	528	332	2,872	-3,365	91,080
Government Grants	-629	0	-37	0	0	0	-37
Other Grants	-1,750	-1,001	0	0	0	0	-1,001
Fees and Charges	-10,532	-10,182	-92	0	0	-182	-10,456
Miscellaneous Income	-156	-70	0	0	0	0	-70
Total Income	-13,067	-11,253	-129	0	0	-182	-11,564
Net expenditure before Recharges	81,297	79,460	399	332	2,872	-3,547	79,516
Recharges to the HRA	-3,276	-3,284	291	0	0	0	-2,994
Recharges - Other	-5,271	-11,504	48	0	471	0	-10,985
Net Recharges	-8,547	-14,788	339	0	471	0	-13,979
Net Budget	72,751	64,671	738	332	3,343	-3,547	65,537

Employees	FTE
Asset Management	20
Communities	31
Resident Services	23
Modernise	119
Customer Experience	298
Central Services	0
Total	491

Asset Management

The division is predominantly responsible for services funded from the HRA, such as major works and new homes delivery, voids management, repairs and maintenance, compliance and health and safety and other technical works contracts. General Fund services (under new management arrangements), comprise: aids and adaptations, handypersons and private sector housing renewal and empty homes. Rationalisation of the newly combined services will deliver savings of £36k.

Activity analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Housing Renewal	200	23	312	9	0	-36	309
Regeneration	28	55	0	1	0	0	56
Aids and Adaptations	51	85	-19	2	0	0	68
Net Budget	279	163	294	12	0	-36	432

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	654	756	423	12	0	0	1,190
Premises	9	5	64	0	0	-36	33
Transport	27	32	8	0	0	0	40
Supplies and Services	42	45	20	0	0	0	65
Support Services	0	0	0	0	0	0	0
Total Expenditure	732	838	515	12	0	-36	1,328
Fees and Charges	-147	-282	82	0	0	0	-200
Total Income	-147	-282	82	0	0	0	-200
Net Expenditure before Recharges	585	556	597	12	0	-36	1,128
Recharges to the HRA	-137	-150	0	0	0	0	-150
Recharges - Other	-169	-243	-303	0	0	0	-546
Net Recharges	-306	-393	-303	0	0	0	-696
Net Budget	279	163	294	12	0	-36	432

Budget movements	£000
2016-17 Budget	163
Budget Adjustments	294
Inflation	12
Commitments	0
Savings	-36
Net Budget	432

Communities

The division is responsible for consultation and community engagement with council tenants, homeowners and residents, local tenant management organisations, the Mayor's office, work with and funding for the voluntary and community sector (VCS) and support for NRPF clients (No Recourse to Public Funds). The division is also responsible for Prevent (the central government initiative to tackle violent extremism) and community awareness of Child Sexual Exploitation.

NRPF is demand-driven and represents a significant and enduring pressure on council resources. The extent of inherited caseload remains problematic but is gradually reducing and more rigorous assessment of new cases presenting has reduced acceptance rates and stabilised the position, but there remains considerable risk in this area which is recognised with a budget commitment of £2m to address this pressure for 2017-18.

The voluntary sector had been largely protected from the full severity of council funding cuts, but savings were necessary in the current year across a range of community related services and the VCS grants/contract budgets to ensure funding was at a more sustainable level going forward. Further savings of £174k are proposed in the community participation and civic office and VCS commissioning budgets for 2017-18.

Going forward, work continues to bring commissioning together across the council and potentially with the Clinical Commissioning Group (CCG), which would provide further opportunities to streamline service provision, ensure consistency across the piece and deliver further economies.

Following Council Assembly, responsibility for Community Safety and Partnerships transferred from Children's and Adult Services (CAS) to Housing and Modernisation from 1 April 2017. For clarity the budget information is shown separately.

Activity analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Head of Community Engagement	239	210	0	2	0	-57	155
Neighbourhoods	997	960	0	3	0	0	963
VCS Commissioning and Support	3,285	3,011	0	3	0	-74	2,939
Civic Engagement and Community Cohesion	135	111	0	0	0	0	111
Community Participation	333	309	0	3	0	-43	269
No Recourse to Public Funds	6,563	4,132	0	5	2,000	0	6,137
Net Budget	11,552	8,733	0	15	2,000	-174	10,574

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	1,182	1,502	0	15	0	-130	1,387
Premises	147	61	0	0	0	0	61
Transport	75	64	0	0	0	0	64
Supplies and Services	2,456	1,990	0	0	0	-3	1,987
Third Party Payments	7,788	5,067	0	0	2,000	-41	7,026
Transfer Payments	90	50	0	0	0	0	50
Support Services	54	0	0	0	0	0	0
Total Expenditure	11,793	8,733	0	15	2,000	-174	10,574
Government Grants	-233	0	0	0	0	0	0
Fees and Charges	-1	0	0	0	0	0	0
Miscellaneous Income	-8	0	0	0	0	0	0
Total Income	-241	0	0	0	0	0	0
Net Budget	11,552	8,733	0	15	2,000	-174	10,574

Budget movements	£000
2016-17 Budget	8733
Budget Adjustments	0
Inflation	15
Commitments	2000
Savings	-174
Net Budget	10,574

Resident Services

The division is responsible for a range of services that predominantly fall within the HRA, including tenancy management, special investigations, housing strategy/policy and business planning. General Fund services comprise travellers' sites, sheltered housing and resettlement and supported housing management, which have shared funding arrangements with the HRA. Savings of £55k are deliverable within the housing strategy/policy area for 2017-18.

Activity analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Supported Housing Services	484	607	-238	6	0	0	375
Housing Strategy and Partnerships	48	217	-44	1	0	-55	119
Travellers' Sites	168	284	44	0	0	0	328
Travellers' Sites Income	-170	-117	0	0	0	0	-117
Net Budget	530	991	-238	6	0	-55	704

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	1,296	1,043	-340	6	0	0	709
Premises	102	153	0	0	0	0	153
Transport	1	0	1	0	0	0	1
Supplies and Services	26	245	-100	0	0	-55	89
Third Party Payments	0	0	0	0	0	0	0
Support Services	196	190	0	0	0	0	190
Capital Charges	134	134	0	0	0	0	134
Total Expenditure	1,755	1,766	-439	6	0	-55	1,278
Fees and Charges	-164	-117	0	0	0	0	-117
Miscellaneous Income	-3	0	0	0	0	0	0
Total Income	-167	-117	0	0	0	0	-117
Net Expenditure before Recharges	1,588	1,649	-439	6	0	-55	1,161
Recharges to the HRA	-202	-202	202	0	0	0	0
Recharges - Other	-856	-457	0	0	0	0	-457
Net Recharges	-1,058	-659	202	0	0	0	-457
Net Budget	530	991	-238	6	0	-55	704

Budget movements	£000
2016-17 Budget	991
Budget Adjustments	-238
Inflation	6
Commitments	0
Savings	-55
Net Budget	704

Modernise

The division incorporates Information Technology (IT), Human Resources (HR), Corporate Facilities Management (CFM) and Organisational Transformation (OT). These services are of a corporate nature and underpin the modernise agenda of transforming where and how council services are delivered in order to better serve our customers, achieved by implementing the workforce, IT and workplace strategies agreed by cabinet on 1 November 2016. This will enable us to meet the challenges of the council's digital strategy, eliminate duplication, streamline processes and seek synergies between services and move towards online provision and self-service and ultimately deliver improved customer outcomes, whilst realising significant on-going savings.

CFM and IT consume by far the largest proportion of the modernise budget and a key element for both is the current delivery of infrastructure services through third party providers, which means savings options predominately focus on reducing contract spend where feasible, without adversely impacting on the council's service delivery or efficiency, which is challenging.

Rationalising the number of service providers to just two for the running of the council's key operational buildings ensures a consistent approach to health and safety and compliance matters and will deliver savings over the medium-term. Aligned to this is the on-going development of the corporate accommodation strategy, which seeks to rationalise the operational estate and maximise the utilisation of buildings in conjunction with targeted capital investment to reduce future running costs and enhance asset value. For 2017-18 there are a number of cost saving proposals predicated on volume/activity reductions across a range of goods and services, such as removals and storage, postage, cleaning, catering and consumables totalling £624k.

The IT service has been reviewed with the key objective to establish a stable, resilient and quality service which will deliver a modern, reliable, secure, cost effective technology that supports the digital strategy and enables service transformation across the council. This will require additional investment initially to both enhance the retained service capability and transition to a new service provider from late 2017.

Reconfiguration and rationalisation of HR services and consolidation of the former Organisation Development and Transformation agendas within a new Organisational Transformation team will deliver a net saving of £166k (£399k gross), after a commitment of £233k to establish base budget funding for the former corporate programme unit which has been subsumed into OT

Activity analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Information Technology (IT)	9,866	9,940	0	18	1,130	-805	10,283
Corporate Facilities Management (CFM)	12,786	11,283	154	125	0	-844	10,719
Human Resources (HR)	887	876	3	21	0	-138	762
Organisational Transformation (OT)	1,495	1,454	0	7	233	-261	1,433
Modernise	696	20	0	5	-20	0	5
Net Budget	25,730	23,573	157	176	1,343	-2,048	23,201

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	7,933	6,843	15	76	758	-750	6,941
Premises	10,426	15,563	152	0	0	-170	15,545
Transport	97	69	0	0	-2	0	67
Supplies and Services	6,235	5,887	18	100	116	-946	5,175
Third Party Payments	18	28	0	0	0	0	28
Support Services	213	22	-22	0	0	0	0
Capital Charges	6,748	6,748	0	0	0	0	6,748
Total Expenditure	31,669	35,160	162	176	872	-1,866	34,504
Government Grants	-26	0	0	0	0	0	0
Other Grants	-191	0	0	0	0	0	0
Fees and Charges	-665	-914	0	0	0	-182	-1,096
Miscellaneous Income	-98	-70	0	0	0	0	-70
Total Income	-979	-984	0	0	0	-182	-1,166
Net Expenditure before Recharges	30,690	34,176	162	176	872	-2,048	33,339
Recharges to the HRA	-1,500	-1,500	0	0	0	0	-1,500
Recharges - Other	-3,460	-9,103	-5	0	471	0	-8,637
Net Recharges	-4,960	-10,603	-5	0	471	0	-10,137
Net Budget	25,730	23,573	157	176	1,343	-2,048	23,201

Budget movements	£000
2016-17 Budget	23,573
Budget Adjustments	157
Inflation	176
Commitments	1,343
Savings	-2,048
Net Budget	23,201

Customer Experience

The division is responsible for a diverse range of functions including the customer service centre (CSC), the council's website and provision of face to face services for residents and the new My Southwark Homeowners (MSHO) service at Market Place. It is also responsible for customer resolution, concessionary travel, registrars and citizenship, coroners and mortuary services and housing solutions (incorporating temporary accommodation).

Savings proposals totalling £450k relate to the closure of the Bermondsey MSSP (£221k) and the gradual transitioning of non-emergency services from the CSC to on-line provision only (£229k). The nature of these savings away from face to face and telephone contact to digital provision are deemed to affect service delivery but are essential to mitigate the impact in more critical areas of the council's budget and are in-line with the council's digital strategy.

The merger of housing solutions and temporary accommodation provides a new integrated end to end service approach which is delivering further savings of £271k through service rationalisation and improved procurement, together with £500k in the cost of nightly paid accommodation. This latter proposal is predicated on a reduction in bed and breakfast usage and adoption of alternative and cheaper forms of accommodation. This remains dependent on demand remaining stable and there being adequate supply-side availability.

Activity analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Head of Customer Experience	199	254	0	2	0	0	256
Customer Services	5,506	3,776	0	41	0	-229	3,588
Service Development	485	580	0	5	0	0	585
Systems Development	1,864	1,164	0	4	0	0	1,168
Systems Improvement	259	500	0	4	0	0	504
Customer Resolution	14,637	14,469	148	14	0	0	14,632
My Southwark Service Points	1,555	1,218	0	11	0	-221	1,008
Registrars and Citizenship	-13	74	-54	7	0	0	27
Coroners and Mortuary	325	301	0	3	0	0	304
Temporary Accommodation	3,800	3,329	77	0	0	-500	2,906
Housing Solutions	2,515	2,730	-41	32	0	-271	2,450
Net Budget	31,131	28,395	131	123	0	-1,221	27,428

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	15,200	12,284	163	123	0	-695	11,875
Premises	535	562	-1	0	0	-21	541
Transport	71	69	-5	0	0	0	64
Supplies and Services	14,398	-3,742	6,091	0	0	-5	2,344
Third Party Payments	304	17,761	-5,920	0	0	-500	11,341
Transfer Payments	13,004	13,103	0	0	0	0	13,103
Support Services	266	270	0	0	0	0	270
Capital Charges	40	40	0	0	0	0	40
Total Expenditure	43,818	40,348	329	123	0	-1,221	39,578
Government Grants	-370	0	-37	0	0	0	-37
Other Grants	-1,559	-1,001	0	0	0	0	-1,001
Fees and Charges	-9,477	-8,820	-224	0	0	0	-9,044
Miscellaneous Income	-52	0	0	0	0	0	0
Total Income	-11,458	-9,821	-261	0	0	0	-10,081
Net Expenditure before Recharges	32,360	30,527	68	123	0	-1,221	29,496
Recharges to the HRA	-817	-813	89	0	0	0	-724
Recharges - Other	-411	-1,319	-26	0	0	0	-1,345
Net Recharges	-1,228	-2,132	63	0	0	0	-2,069
Net Budget	31,131	28,395	131	123	0	-1,221	27,428

Budget movements	£000
2016-17 Net Budget	28,395
Budget Adjustments	131
Inflation	123
Commitments	0
Savings	-1,221
Net Budget	27,428

Central Services

There are a number of budgets within Housing and Modernisation of a financing/overhead nature that underpin the provision of landlord services without being directly attributable to a particular service area. Within the General Fund, these are predominantly corporate support costs recharged to departments and are uncontrollable at a local level (with savings being predicated corporately). The net controllable budget is only £104k of which savings of £13k are proposed through a reduction in the budget for ad-hoc legal work.

Activity analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Home Loans	15	0	0	0	0	0	0
Strategic Services	3,514	2,816	394	0	0	-13	3,197
Net Budget	3,529	2,816	394	0	0	-13	3,197

Subjective analysis	2015-16 Outturn	2016-17 Budget	Budget Adjustments	Inflation	Commitments	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000
Employees	1,418	711	-639	0	0	0	72
Premises	67	64	-64	0	0	0	0
Transport	21	7	-7	0	0	0	0
Supplies and Services	25	143	-16	0	0	-13	114
Third Party Payments	0	0	0	0	0	0	0
Support Services	3,065	2,942	689	0	0	0	3,631
Total Expenditure	4,597	3,868	-38	0	0	-13	3,817
Fees and Charges	-79	-50	50	0	0	0	0
Total Income	-79	-50	50	0	0	0	0
Net Expenditure before Recharges	4,518	3,818	12	0	0	-13	3,817
Recharges to the HRA	-620	-620	0	0	0	0	-620
Recharges - Other	-369	-382	382	0	0	0	0
Net Recharges	-989	-1,002	382	0	0	0	-620
Net Budget	3,529	2,816	394	0	0	-13	3,197

Budget movements	£000
2016-17 Net Budget	2,816
Budget Adjustments	394
Inflation	0
Commitments	0
Savings	-13
Net Budget	3,197

Housing Revenue Account (HRA)

The Housing Revenue Account (HRA) reflects the statutory requirement under Section 74 of the Local Government and Housing Act 1989 to account separately for local authority housing provision and to set a balanced budget. It is a ring-fenced account, containing solely the costs arising from the provision and management of the council's housing stock, offset by tenant rents and service charges, homeowner service charges and other income. Responsibility for delivering HRA services resides primarily within Housing and Modernisation, albeit some functions fall within the remit of Finance and Governance, following council restructuring in autumn 2015.

The over-arching principle underlying the introduction of self-financing in 2012 was the generation and retention of revenue surpluses sufficient to meet the investment needs of the housing stock and repay debt over a thirty year planning horizon, without further government support. However, the key assumptions made by government in arriving at the settlement figure did not adequately reflect the financial reality of the council's position at that time and subsequent changes in government policy have only served to exacerbate the situation and fundamentally shift the parameters for long-term business planning.

The provisions of the Welfare Reform and Work Act 2016 re-introduced social rent control by compelling authorities to reduce rents by at least 1% each year between 2016-17 and 2019-20. The impact of this policy change is a compound reduction in the rental base compared to the previous business plan assumptions, and there is no clarity in terms of rent policy beyond 2019-20 at this time. Other policy initiatives, such as pay to stay, the sale of high value council voids and the ending of lifetime tenancies would all impact the HRA to varying degrees, albeit government has announced that pay to stay is now voluntary and the council has committed not to implement it, whilst the other provisions are currently delayed. Notwithstanding that, the HRA has been managed in such a way as to support the delivery of the council's extensive investment programme, including: Warm, Dry Safe, Fire Safety, kitchens and bathrooms and other landlord priorities, whilst successfully delivering new council homes at council rents, repaying £58m of debt and increasing the council's borrowing headroom.

Whilst the funding regimes for the HRA and the council's general fund are different, the budget principles and requirement for continuous improvement and delivery of savings hold true for both, particularly with regard to back-office and departmental and corporate overheads. To a large extent this has been achieved through a modernisation programme designed to streamline business processes and identify operational synergies leading to budget efficiencies. £34.1m of savings have been delivered over the last five years, much of which was front-loaded in the early years in order to re-position the budget for self-financing. A further £6.8m is planned during 2017-18. Re-profiling and re-direction also provide flexibility to target resources to areas of highest priority, particularly investment in the housing stock and delivery of new council homes, whilst minimising the impact on front-line service provision. For 2017-18, rental loss, inflation and service driven volume/activity demands and commitments add a further £7.8m to the HRA base, which are financed through savings and increases in charges for services.

Divisional budget analysis is set out below:

Housing Revenue Account Summary Budget Analysis

Divisional Analysis	2015-16 Outturn	2016-17 Budget	Inflation	Commitments	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Asset Management	52,753	49,915	905	0	0	0	(1,750)	49,070
Communities	(7,970)	(6,782)	16	(9)	0	1,220	(524)	(6,079)
Resident Services	22,983	24,205	357	284	0	(2,625)	(750)	21,471
Customer Experience	2,843	2,843	24	449	0	0	(70)	3,246
Central Services	(70,609)	(70,101)	636	2,522	0	3,167	(3,852)	(67,708)
Total	0	0	1,938	3,246	0	1,762	(6,946)	0

Employees	FTE
Asset Management	278
Communities	38
Resident Services	196
Customer Experience	74
Central Services	8
Total	594

Subjective Analysis	2015-16 Outturn	2016-17 Budget	Inflation	Commitments/ Redistribution	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Employees	30,581	32,998	880	954	0	(102)	(943)	33,787
Running Costs/Heating Account	40,264	32,036	55	11	0	709	(1,176)	31,636
Thames Water Charges	30,180	13,472	0	(4)	0	(12,913)	0	556
Contingency/Contribution to Reserves	833	1,437	0	0	0	0	(500)	937
Grounds Maint/Estate Cleaning	15,297	15,975	265	232	0	0	0	16,472
Responsive Repairs/Heating Repairs	54,272	49,169	777	(237)	0	0	(1,903)	47,806
Contribution to Investment Programme	28,927	32,252	0	0	0	0	(1,108)	31,145
Corporate Support Costs/SLAs	20,225	19,972	0	(111)	0	200	(215)	19,846
Depreciation	49,095	53,000	0	0	0	0	0	53,000
Financing Costs	28,546	33,555	0	0	0	0	0	33,555
Tenant Management Org's Allowances	6,295	3,242	0	0	0	0	(272)	2,970
Total Expenditure	304,515	287,108	1,977	846	0	(12,106)	(6,117)	271,710
Rents - Dwellings	(200,371)	(192,025)	0	0	0	2,097	(624)	(190,552)
Rents - Non-Dwellings	(4,472)	(4,968)	0	299 8	0	(346)	0	(5,016)
Heating/Hot Water Charges	(9,064)	(9,289)	0	0	0	42	0	(9,247)
Tenant Service Charges	(13,228)	(13,284)	0	0	0	(1,005)	0	(14,289)
Thames Water Charges	(13,219)	(13,735)	0	0	0	13,735	0	0
Commission Receivable	(2,755)	(2,817)	0	2,337	0	0	0	(480)
Leaseholders - Major Works	(25,662)	(15,000)	0	0	0	0	0	(15,000)
Leaseholders - Service Charges	(17,337)	(18,386)	0	0	0	(519)	0	(18,905)
Grants	169	0	0	0	0	0	0	0
Interest on Balances	(494)	(411)	0	0	0	0	0	(411)
Commercial Property Rents	(7,078)	(6,864)	0	0	0	(136)	(20)	(7,020)
Fees and Charges	(5,236)	(1,563)	0	(237)	0	0	(185)	(1,985)
Capitalisation	(4,927)	(7,971)	(39)	0	0	0	0	(8,010)
Recharges	(841)	(795)	0	0	0	0	0	(795)
Total Income	(304,515)	(287,108)	(39)	2,399	0	13,868	(829)	(271,710)
Net Budget	0	0	1,938	3,246	0	1,762	(6,946)	0

Divisional Budget Analysis

Asset Management	2015-16 Outturn	2016-17 Budget	Inflation	Commitments/ Redistribution	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Investment and Asset Management	2,745	1,027	10	226	0	0	0	1,263
Engineering Services	18,422	21,203	271	0	0	0	(275)	21,199
Reactive and Planned Maintenance	31,280	27,345	621	(226)	0	0	(1,475)	26,265
Housing Regeneration and Delivery	306	340	3	0	0	0	0	343
Net Budget	52,753	49,915	905	0	0	0	(1,750)	49,070

Communities	2015-16 Outturn	2016-17 Budget	Inflation	Commitments/ Redistribution	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Tenant Management Organisations	6,338	7,410	6	0	0	0	(324)	7,092
TMO Rent Income	(16,166)	(16,192)	0	0	0	1,220	0	(14,972)
Residents Involvement	1,858	2,000	10	(9)	0	0	(200)	1,801
Net Budget	(7,970)	(6,782)	16	(9)	0	1,220	(524)	(6,079)

Resident Services	2015-16 Outturn	2016-17 Budget	Inflation	Commitments/ Redistribution	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Supported and Sheltered Housing	(7,042)	(6,927)	19	0	0	(2,625)	(425)	(9,958)
Environmental Services	17,445	17,840	265	285	0	0	0	18,390
Estate Management	9,113	5,320	48	0	0	0	0	5,368
Investigations and Support	3,082	7,053	15	0	0	0	0	7,068
Strategy and Performance	385	919	10	0	0	0	(325)	604
Net Budget	22,983	24,205	357	285	0	(2,625)	(750)	21,472

Customer Experience	2015-16 Outturn	2016-17 Budget	Inflation	Commitments/ Redistribution	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
My Southwark Homeowners	814	517	10	488	0	0	0	1,015
My Southwark Service Points	259	374	3	(39)	0	0	0	338
Housing Solutions and Temporary Accom	1,770	1,952	11	0	0	0	(70)	1,893
Net Budget	2,843	2,843	24	449	0	0	(70)	3,246

Central Services	2015-16 Outturn	2016-17 Budget	Inflation	Commitments/ Redistribution	Financing	Rents	Savings	2017-18 Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Heating Account	9,551	11,198	0	0	0	0	(1,000)	10,198
Thames Water	31,260	11,017	0	2,337	0	(12,913)	0	442
Commercial Properties	(5,080)	(5,493)	0	0	0	(136)	0	(5,629)
Dwelling Rent Income	(206,949)	(205,744)	0	0	0	16,274	0	(189,470)
Project Costs	4,502	7,400	0	0	0	0	0	7,400
General Holding Account	6,195	2,788	127	0	0	475	0	3,390
Financing	79,382	86,319	0	0	0	0	0	86,319
Reserves and Provisions	(2,004)	8,238	450	338	0	(102)	(1,124)	7,800
Contribution to HIP	27,435	24,852	0	0	0	0	(1,108)	23,744
Corporate Support Costs/SLAs	18,208	16,259	0	(13)	0	0	(215)	16,031
HRA Income Services	(33,109)	(27,015)	59	(141)	0	(431)	(405)	(27,933)
Net Budget	(70,609)	(70,181)	636	2,522	0	3,167	(3,852)	(67,708)