

Appendix 1 – Overview of HRA Revenue Budget

	2018/19 Budget	2019/20 Proposed Budget
	£	£
Expenditure		
Management (staff, overheads and service charge costs)	12,459,500	12,756,000
Repairs (incl. staff costs)	11,627,200	11,851,900
Discretionary Housing Payments	200,000	200,000
Rent, Rates & Taxes	68,500	68,500
Debt Management fees and Debt Rescheduling Premium	60,000	60,000
Gross Expenditure	24,415,200	24,936,400
Income		
Rents	(43,355,500)	(43,767,300)
Voids and Bad debts	1,220,300	1,120,300
Service Charges	(3,745,900)	(3,628,700)
Other Income (garages, commercial property, Homeline)	(2,653,400)	(2,566,600)
Gross Income	(48,534,500)	(48,842,300)
Net Cost of Services	(24,119,300)	(23,905,900)
Net Interest costs (after interest receivable has been deducted)	3,581,300	3,507,900
Contribution to Capital Expenditure and loan repayment	5,000,000	5,000,000
Contribution from General Reserves	0	0
Projected (surplus) / deficit for the year	(15,538,000)	(15,398,000)
Use of operating Surplus with £5m Loan Repayment		
Funding available for Capital Investment	15,538,000	15,398,000
Use of Operating Surplus	15,538,000	15,398,000

Appendix 2 – Service charges for 2019/20

	Current Charge 2018/19	Proposed Charge 2019/20
	£	£
<u>Flats (Communal entrance)</u>		
Service Charge - Staircase Lighting	0.74	0.75
Multi Storey service charge	13.80	10.52
Neighbourhood Wardens Low & medium rise blocks service charge	1.90	1.87
Neighbourhood Wardens General stock service charge	1.07	1.00
Townsend House	9.86	9.86
<u>Sheltered Housing</u>		
Sheltered service charge	25.85	26.68
Heating charge - private use	5.24	6.50
Heating charge - communal use	2.51	2.54
Water charge	4.32	4.39
Extra Care (Newburgh House)	2.97	3.25
Guest room charge	14.00	16.00
Guest flat charge	16.00	18.00
<u>Other</u>		
Cable TV charge	2.04	2.04
Communal TV aerials	1.13	1.17
Grass Cutting	3.00	4.00
Hedge	1.44	2.00
Furniture Charge - Full Flat	5.00	5.00
Emergency Room Service Charge	17.43	17.61
<u>Support Charges</u>		
Sheltered housing support charge	3.13	3.13
Sheltered transitional protection	-1.67	-1.67
Homeline Charge	4.62	4.77
Homeline transitional protection	-0.30	-0.30
Homeline Charge - private tenants	7.25	7.48
Homeline Plus level 1	13.36	13.79
Homeline Plus level 2	14.87	15.35
Homeline Plus level 3	16.87	17.41

Appendix 2 – Service charges for 2019/20 (continued)

	Current Charge 2018/19	Proposed Charge 2019/20
	£	£
<u>Garage / Parking Charges</u>		
Garage rent	8.28	8.69
Account Garage + VAT	9.16	9.62
Parking space	2.80	2.94
Cross over - existing tenants	2.51	2.59
Cross over - new tenants	4.91	5.07
Cross over - new build properties (2 spaces)	9.82	10.14
Account parking space + VAT	3.12	3.28
Premium Garage + VAT	10.98	11.53
Premium parking space + VAT	6.87	7.21
<u>Supported Housing</u>		
Service Charge	43.21	44.59
Heating charge - private use	5.78	5.87
Heating charge - communal use	2.03	2.06
Water charge	5.47	5.56
Electricity	6.18	6.18
<u>Small Housing Schemes</u>		
Service charge - Moredon Road	35.26	35.26
Service charge - William Robins Court - LD clients	22.45	22.45
Service charge - William Robins Court - General needs	12.28	12.28
Service charge - Baileys Farm Gardens - General needs	14.44	14.58
Service charge - Baileys Farm Gardens - General needs water	4.34	4.34
Service charge - Marlowe Avenue	24.36	24.36
Service charge - Twyford Close	8.92	9.21
Service charge - Evelyn House (SBC element)	24.63	25.42
Service charge - Tyndale Gardens (SBC element)	30.06	30.94
Service charge - Kimmerfield Court (SBC element)	6.20	6.20
Service charge - Kimmerfield Court - Private heating charge	3.99	3.99
Service charge - Kimmerfield Court - Communal heating charge	1.74	1.74
Service charge - Sussex Place	1.37	1.37

Appendix 3 - Leaseholder Charges

	Current Charge 2018/19	Proposed Charge 2019/20
	£	£
Ground Rent - Annual Charge	10.00	10.00
Leaseholder management charge - all properties	167.79	173.16
Leaseholder management charge - properties with communal areas	200.93	207.36
Service Charge - Staircase Lighting adjusted to actual charge during annual review	34.87	34.89
Multi Storey service charge	588.66	443.95
Administration charge dealing with the re-sale of leasehold interest	169.26	174.68
In addition leaseholders pay property insurance based on the insured value of their property and a contribution to any repairs carried out on their block of flats		

Appendix 4 - Detailed HRA Budget 2019/20

Item		2018/19 Budget	2019/20 Proposed Budget
		£	£
	<u>EXPENDITURE</u>		
1	S&M General	6,575,500	6,792,800
2	S&M Special	5,884,000	5,963,200
3	Repairs Administration	1,233,900	1,175,200
4	Contribution to Repairs Account	10,393,300	10,676,700
5	Rent, Rates & Taxes	68,500	68,500
	<u>Capital Financing</u>		
6	Funding available for Capital Investment	15,538,000	15,398,000
7	Debt Management	60,000	60,000
8	Discretionary Housing Payments	200,000	200,000
9	<u>TOTAL EXPENDITURE</u>	39,953,200	40,334,400
	<u>INCOME</u>		
	<u>Rent income</u>		
10	Dwellings	(43,355,500)	(43,767,300)
11	Provision for Bad Debts	620,300	620,300
12	Less voids	600,000	500,000
13	Garages	(160,800)	(215,000)
14	Shops / Commercial	(68,400)	(76,000)
15	Support charges - Sheltered	(216,000)	(216,000)
16	Sheltered Housing Service Charges	(2,556,600)	(2,269,000)
17	Supported Housing Service Charge	(447,100)	(453,300)
		(45,584,100)	(45,876,300)
18	Miscellaneous Properties Rent	(80,000)	(95,000)
19	Service Charges - Flats	(78,600)	(92,800)
20	Sheltered Housing Heating Charges	(447,600)	(597,600)
21	Homeline	(985,200)	(1,019,400)
22	Other Service Charges / Other income	(1,359,000)	(1,161,200)
23	Contribution from General Reserves	0	0
		(2,950,400)	(2,966,000)
24	<u>TOTAL INCOME</u>	(48,534,500)	(48,842,300)
25	<u>NET COST OF SERVICES</u>	(8,581,300)	(8,507,900)
26	Loan Charges - Interest	3,785,300	3,619,300
27	Interest on balances (interest receivable)	(204,000)	(111,400)
28	Right to buy mortgage interest (interest receivable)	0	0
29	<u>NET OPERATING EXPENDITURE</u>	(5,000,000)	(5,000,000)
30	Loan repayments	5,000,000	5,000,000
31	<u>PROJECTED (SURPLUS) / DEFICIT FOR THE YEAR</u>	0	0

Appendix 5 - Proposed HRA Capital Budget 2019/20

Item		2018/19 Budget	2019/20 Proposed Budget
		£	£
	<u>HRA Capital Schemes</u>		
1	Capital Projects (including vehicle replacement) and Planned Maintenance Programme	13,542,000	15,398,000
2	Carried forward from previous year's Programme	0	2,000,000
3	Anticipated spend on Acquisition Programme (Budget £17m)	5,000,000	5,100,000
4	Anticipated spend on Housing Development Programme	5,000,000	6,780,000
5	Total Capital Programme	23,542,000	29,278,000
	HRA Capital Funding Applied		
6	Funding available for Capital Investment - transfer to MRR	15,542,000	15,398,000
7	In year Capital receipts	0	0
8	S106 Funding	0	1,800,000
9	In year resources available	15,542,000	17,198,000
	HRA Capital Reserves		
10	Usable Capital Receipts		
11	Prudential Borrowing		
12	HCA Funding	530,000	3,900,000
13	RTB Funding Used	1,500,000	1,530,000
14	HRA Capital Reserves	6,372,000	2,402,000
15	In year resources available	8,402,000	7,832,000
16	Total HRA Capital Funding	23,944,000	25,030,000
	<u>RTB retained funding</u>		
17	Brought forward	3,708,600	4,908,600
18	Used in year	(1,500,000)	(1,530,000)
19	Additional funding from in year sales	2,700,000	2,700,000
20	Resources carried forward	4,908,600	6,078,600

The HRA Business Plan assumes that any shortfall in funding would be met initially from General Reserves before any additional borrowing is required.

Appendix 6 - Proposed 5 year Capital Programme

Element	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's
Components #	8,410	7,336	6,973	6,512	6,404
Vehicle Replacement Programme	500	500	250	-	-
EWI/Refurbishment/Regeneration of High-Rise Blocks	-	3,100	4,000	5,000	5,400
Contingent Major Repairs	550	300	300	300	300
Cyclical Planned Maintenance	2,030	2,030	2,030	2,030	2,030
Major Adaptations	1,550	1,500	1,500	1,500	1,500
Improvements	2,358	900	900	900	900
Grand Total	15,398	15,666	15,953	16,242	16,534

- Components typically cover the replacement of kitchens, bathrooms, roofs, windows, doors, boilers, central heating, rewiring etc

All budgets are shown at 2018/19 prices.

Any shortfall between the Capital Programme planned expenditure shown above and the funding available as indicated in the business plan at Appendix 8, will be addressed as part of budget setting at the start of each year.

Appendix 7 - Proposed HGF Rents & Service Charges **2019/20**

	Current Charge 2018/19	Proposed Charge 2019/20
<u>Christopher House, Marlowe Avenue</u>		
Service Charge	11.74	12.06
<u>David Murray John Building</u>		
Service charge - 1 bed property	19.71	18.09
Service charge - 2 bed property	23.19	21.28
<u>PSL rents</u>		
1 Bed	106.54	109.74
2 Bed	127.51	131.34
3 Bed	157.56	162.29
4 Bed	198.11	204.05
<p>Private Sector Landlord Rents have been reduced in response to Government removing the previous weekly management fee. The fee has been replaced by the Flexible Homeless Support Grant that is not ring-fenced to Homelessness and has so far only been made confirmed up to and including 2019/20.</p>		

Appendix 8 - Comparison of Business Plans showing the impact of changes made as part of the budget setting for 2019/20 over the next 4 years

Current 18/19 HRA Business Plan											
Income						Expenditure		Net Available for Investment			
Year	Rental Income	Voids & Bad Debts	Net Rental Income	Other income	Total Income	Total expenses	Debt Interest	Net Operating Expenditure	Debt Repayment	Available for Capex	
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	
1 2019.20	42,111	(1,227)	40,884	7,979	48,863	(24,542)	(3,679)	20,642	(5,000)	15,642	
2 2020.21	42,351	(1,234)	41,117	8,200	49,318	(25,212)	(3,513)	20,592	(5,000)	15,592	
3 2021.22	43,405	(1,264)	42,141	8,492	50,632	(25,901)	(3,347)	21,384	(5,000)	16,384	
4 2022.23	44,480	(1,296)	43,184	8,798	51,982	(26,608)	(3,181)	22,192	(5,000)	17,192	
Totals	172,347	(5,021)	167,326	33,469	200,795	(102,263)	(13,721)	84,811	(20,000)	64,811	
Revised 19/20 HRA Business Plan											
Income						Expenditure		Net Available for Investment			
Year	Rental Income	Voids & Bad Debts	Net Rental Income	Other income	Total Income	Total expenses	Debt Interest	Net Operating Expenditure	Debt Repayment	Available for Capex	
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	
1 2019.20	41,653	(1,120)	40,533	8,371	48,904	(24,820)	(3,679)	20,405	(5,000)	15,405	
2 2020.21	42,206	(1,129)	41,077	8,587	49,664	(25,404)	(3,555)	20,705	(5,000)	15,705	
3 2021.22	43,394	(1,160)	42,234	8,778	51,012	(26,028)	(3,384)	21,600	(5,000)	16,600	
4 2022.23	44,917	(1,191)	43,726	8,994	52,720	(26,665)	(3,231)	22,824	(5,000)	17,824	
Totals	172,170	(4,600)	167,570	34,730	202,300	(102,917)	(13,849)	85,534	(20,000)	65,534	
Business Plan Variations											
Income						Expenditure		Net Available for Investment			
Year	Rental Income	Voids & Bad Debts	Net Rental Income	Other income	Total Income	Total expenses	Debt Interest	Net Operating Expenditure	Debt Repayment	Available for Capex	
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	
1 2019.20	-458	107	(351)	392	41	(278)	0	(237)	0	(237)	
2 2020.21	-145	105	(40)	387	346	(192)	(42)	113	0	113	
3 2021.22	-11	104	93	286	380	(127)	(37)	216	0	216	
4 2022.23	437	105	542	196	738	(57)	(50)	632	0	632	
Totals	(177)	421	244	1,261	1,505	(654)	(128)	723	0	723	

The "Available for Capex" figures include an element earmarked for depreciation charges on vehicles