

Appendix 1 – Overview of HRA Revenue Budget

	2017/18 Budget	2018/19 Proposed Budget
	£	£
Expenditure		
Management (staff, overheads and service charge costs)	12,429,400	12,454,100
Repairs (incl. staff costs)	11,317,900	11,632,600
Discretionary Housing Payments	300,000	200,000
Rent, Rates & Taxes	77,900	68,500
Debt Management fees and Debt Rescheduling Premium	60,000	60,000
Gross Expenditure	24,185,200	24,415,200
Income		
Rents	(43,211,200)	(43,355,500)
Voids and Bad debts	723,200	1,220,300
Service Charges	(3,838,800)	(3,745,900)
Other Income (commercial property and other charges)	(2,418,400)	(2,653,400)
Gross Income	(48,745,200)	(48,534,500)
Net Cost of Services	(24,560,000)	(24,119,300)
Net Interest costs (after interest receivable has been deducted)	3,764,500	3,581,300
Contribution to Capital Expenditure and loan repayment	5,000,000	5,000,000
Contribution from General Reserves	(742,500)	0
Projected (surplus) / deficit for the year	(16,538,000)	(15,538,000)
Use of operating Surplus with £5m Loan Repayment		
Funding available for Capital Investment	16,538,000	15,538,000
Use of Operating Surplus	16,538,000	15,538,000

Appendix 2 – Service charges for 2018/19

	Current Charge 2017/18	Proposed Charge 2018/19
	£	£
<u>Flats (Communal entrance)</u>		
Service Charge - Staircase Lighting	0.61	0.74
Multi Storey service charge	13.54	13.80
Neighbourhood Wardens Low & medium rise blocks service charge	1.96	1.90
Neighbourhood Wardens General stock service charge	1.09	1.07
Townsend House	11.67	9.86
<u>Sheltered Housing</u>		
Sheltered service charge	24.86	25.85
Heating charge - private use	4.77	5.24
Heating charge - communal use	1.54	2.51
Water charge	3.84	4.32
Extra Care (Newburgh House)	0.00	2.97
Guest room charge	13.00	14.00
Guest flat charge	15.00	16.00
<u>Other</u>		
Cable TV charge	2.04	2.04
Communal TV aerials	1.13	1.13
Home contents insurance (per £100 of cover)	0.00	0.00
Grass Cutting	1.38	3.00
Hedge	1.38	1.44
Furniture Charge - Full Flat	5.00	5.00
Emergency Room Service Charge	16.00	17.43
<u>Support Charges</u>		
Sheltered housing support charge	3.13	3.13
Sheltered transitional protection	-1.67	-1.67
Homeline Charge	4.40	4.62
Homeline transitional protection	-0.30	-0.30
Homeline Charge - private tenants	6.50	7.25
Homeline Plus level 1	12.85	13.36
Homeline Plus level 2	14.30	14.87
Homeline Plus level 3	16.22	16.87

Appendix 2 – Service charges for 2018/19 (continued)

	Current Charge 2017/18	Proposed Charge 2018/19
	£	£
<u>Garage / Parking Charges</u>		
Garage rent	7.89	8.28
Account Garage + VAT	8.72	9.16
Parking space	2.67	2.80
Cross over - existing tenants	2.39	2.51
Cross over - new tenants	4.68	4.91
Cross over - new build properties (2 spaces)	9.35	9.82
Account parking space + VAT	2.97	3.12
Premium Garage + VAT	10.46	10.98
Premium parking space + VAT	6.54	6.87
<u>Supported Housing</u>		
Service Charge	41.15	43.21
Heating charge - private use	5.63	5.78
Heating charge - communal use	1.98	2.03
Water charge	4.69	5.47
Electricity	5.69	6.18
<u>Small Housing Schemes</u>		
Service charge - Moredon Road	36.29	35.26
Service charge - William Robins Court - LD clients	23.56	22.45
Service charge - William Robins Court - General needs	11.81	12.28
Service charge - Baileys Farm Gardens - General needs	13.89	14.44
Service charge - Baileys Farm Gardens - General needs water	3.99	4.34
Service charge - Marlowe Avenue	25.07	24.36
Service charge - Twyford Close	8.57	8.92
Service charge - Evelyn House	23.11	24.04
Service charge - Tyndale Gardens	28.78	29.94
Service charge - Kimmerfield Court (SBC element)	7.80	6.20
Service charge - Kimmerfield Court - Private heating charge	5.38	3.99
Service charge - Kimmerfield Court - Communal heating charge	1.75	1.74
Service charge - Sussex Place	1.37	1.37

Appendix 3 - Leaseholder Charges

	Current Charge 2017/18	Proposed Charge 2018/19
	£	£
Ground Rent - Annual Charge	10.00	10.00
Leaseholder management charge - all properties	161.33	167.79
Leaseholder management charge - properties with communal areas	193.20	200.93
Service Charge - Staircase Lighting adjusted to actual charge during annual review	34.36	34.87
Multi Storey service charge	574.80	588.66
Administration charge dealing with the re-sale of leasehold interest	162.75	169.26
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 2018/19

Item		2017/18 Budget	2018/19 Proposed Budget
		£	£
	<u>EXPENDITURE</u>		
1	S&M General	6,752,200	6,575,500
2	S&M Special	5,677,200	5,878,600
3	Repairs Administration	1,266,200	1,233,900
4	Contribution to Repairs Account	10,051,700	10,398,700
5	Rent, Rates & Taxes	77,900	68,500
	<u>Capital Financing</u>		
6	Funding available for Capital Investment	16,538,000	15,538,000
7	Debt Management	60,000	60,000
8	Discretionary Housing Payments	300,000	200,000
9	<u>TOTAL EXPENDITURE</u>	40,723,200	39,953,200
	<u>INCOME</u>		
	<u>Rent income</u>		
10	Dwellings	(43,211,200)	(43,355,500)
11	Provision for Bad Debts	300,000	620,300
12	Less voids	423,200	600,000
13	Garages	0	(160,800)
14	Shops / Commercial	(64,000)	(68,400)
15	Support charges - Sheltered	(216,000)	(216,000)
16	Sheltered Housing Service Charges	(2,734,800)	(2,556,600)
17	Supported Housing Service Charge	(433,600)	(447,100)
		(45,936,400)	(45,584,100)
18	Miscellaneous Properties Rent	(80,000)	(80,000)
19	Service Charges - Flats	(78,600)	(78,600)
20	Sheltered Housing Heating Charges	(375,800)	(447,600)
21	Homeline	(972,600)	(985,200)
22	Other Service Charges / Other income	(1,301,800)	(1,359,000)
23	Contribution from General Reserves	(742,500)	0
		(3,551,300)	(2,950,400)
24	<u>TOTAL INCOME</u>	(49,487,700)	(48,534,500)
25	<u>NET COST OF SERVICES</u>	(8,764,500)	(8,581,300)
26	Loan Charges - Interest	3,968,500	3,785,300
27	Interest on balances (interest receivable)	(204,000)	(204,000)
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 2018/19

Item		2017/18 Budget	2018/19 Proposed Budget
		£	£
	<u>HRA Capital Schemes</u>		
1	Capital Projects (including vehicle replacement) and Planned Maintenance Programme	15,700,000	15,542,000
2	Carried forward from previous year's Programme	0	0
	Antipated spend on Regeneration Programme	0	
3	Anticipated spend on Acquisition Programme (Budget £17m)	5,000,000	6,000,000
	Anticipated spend on Housing Development Programme	10,000,000	10,000,000
5	Total Capital Programme	30,700,000	31,542,000
	HRA Capital Funding Applied		
6	Funding available for Capital Investment - transfer to MRR	16,528,000	15,538,000
7	In year Capital receipts	0	0
8	S106 Funding	0	0
9	In year resources available	16,528,000	15,538,000
	HRA Capital Reserves		
10	Usable Capital Receipts		
11	Prudential Borrowing		
12	HCA Funding		530,000
13	RTB Funding Used	1,500,000	1,800,000
14	HRA Capital Reserves	18,865,900	6,193,900
15	In year resources available	20,365,900	8,523,900
16	Total HRA Capital Funding	36,893,900	24,061,900
	<u>RTB retained funding</u>		
17	Brought forward	4,011,400	5,011,400
18	Used in year	(1,500,000)	(1,800,000)
19	Additional funding from in year sales	2,500,000	2,700,000
20	Resources carried forward	5,011,400	5,911,400

Appendix 6 - Proposed 5 year Capital Programme

Element	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's
Components #	8,724.0	4,987.0	4,937.0	8,730.0	8,788.0
Vehicle Replacement Programme	250.0	250.0	250.0	250.0	0.0
Refurbishment High-Rise Blocks	100.0	6,000.0	6,000.0	3,000.0	0.0
Contingent Major Repairs	625.0	575.0	575.0	575.0	575.0
Cyclical Planned Maintenance	2,273.0	2,030.0	2,030.0	2,030.0	2,030.0
Major Adaptations	1,250.0	1,250.0	1,250.0	1,250.0	1,250.0
Exceptional Extensive Improvements	1,750.0	0.0	0.0	0.0	4,000.0
	570.0	550.0	550.0	550.0	550.0
Regeneration, acquisition & New Build					
Grand Total	15,542.0	15,642.0	15,592.0	16,385.0	17,193.0

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

All budgets are shown at 2017/18 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

2017/18

	Current Charge 2017/18	Proposed Charge 2018/19
<u>Hay Lane Traveller & Gipsy Site</u>	£	£
Caravan Site Pitch Rent	51.26	53.83
Caravan Site Workpen Rent Size 1	4.36	4.58
Caravan Site Workpen Rent Size 2	8.73	9.16
Caravan Site Workpen Rent Size 3	10.91	11.45
Caravan Site Workpen Rent Size 4	13.08	13.73
Caravan Site Workpen Rent Size 5	1.09	1.15
<u>Christopher House, Marlowe Avenue</u>		
Service Charge	11.43	11.74
<u>David Murray John Building</u>		
Heating charge - 1 bed property	9.89	0.00
Heating charge - 2 bed property	11.63	0.00
Service charge - 1 bed property	22.70	19.71
Service charge - 2 bed property	26.71	23.19
<u>PSL rents</u>		
1 Bed	103.44	106.54
2 Bed	127.51	127.51
3 Bed	157.56	157.56
4 Bed	198.11	198.11
Private Sector Landlord Rents have been reduced in response to Government removing the previous weekly management fee. The fee has been replaced by a new Flexible Homeless Support Grant that is not ring-fenced to Homelessness and has only been made available in 2017/18 and 2018/19.		

Appendix 8 - Comparison of Business Plans showing the impact of changes made as part of the budget setting for 2018/19 over the next 4 years

Current 17/18 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 2018.19	41,781	(707)	41,074	7,716	48,790	(24,806)	(4,020)	19,964	(5,000)	14,964	
2 2019.20	41,910	(710)	41,200	7,945	49,145	(25,551)	(3,854)	19,740	(5,000)	14,740	
3 2020.21	41,882	(709)	41,173	8,181	49,354	(26,317)	(3,688)	19,349	(5,000)	14,349	
4 2021.22	42,628	(722)	41,906	8,424	50,330	(27,107)	(3,522)	19,701	(5,000)	14,701	
Totals	168,201	(2,848)	165,353	32,266	197,619	(103,781)	(15,084)	78,754	(20,000)	58,754	
Revised 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 2018.19	41,890	(1,220)	40,670	7,841	48,510	(24,123)	(3,845)	20,542	(5,000)	15,542	
2 2019.20	42,111	(1,227)	40,884	7,979	48,863	(24,542)	(3,679)	20,642	(5,000)	15,642	
3 2020.21	42,351	(1,234)	41,117	8,200	49,318	(25,212)	(3,513)	20,592	(5,000)	15,592	
4 2021.22	43,405	(1,264)	42,141	8,492	50,632	(25,901)	(3,347)	21,385	(5,000)	16,385	
Totals	169,757	(4,945)	164,812	32,512	197,324	(99,777)	(14,385)	83,161	(20,000)	63,161	
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 2018.19	109	(513)	(404)	125	(280)	683	175	578	0	578	
2 2019.20	201	(517)	(316)	34	(282)	1,009	175	902	0	902	
3 2020.21	469	(525)	(56)	19	(36)	1,105	175	1,243	0	1,243	
4 2021.22	777	(542)	235	68	302	1,206	175	1,684	0	1,684	
Totals	1,556	(2,097)	(541)	246	(295)	4,004	699	4,407	0	4,407	