

## Appendix 1 – Overview of HRA Revenue Budget

	2015/16 Budget	2016/17 Proposed Budget
	£	£
<b>Expenditure</b>		
Management ( staff, overheads and service charge costs)	12,059,400	12,257,200
Repairs (incl. staff costs)	12,082,300	12,531,900
Discretionary Housing Payments	300,000	300,000
Rent, Rates and Taxes	76,700	77,300
Debt Management fees and Debt Rescheduling Premium	60,000	60,000
<b>Gross Expenditure</b>	<b>24,578,400</b>	<b>25,226,400</b>
<b>Income</b>		
Rents	(43,980,000)	(43,190,000)
Voids and Bad debt	839,800	732,900
Service Charges	(4,049,100)	(3,948,200)
Other Income (garages, commercial property, Homeline)	(3,489,600)	(3,649,200)
<b>Gross Income</b>	<b>(50,678,900)</b>	<b>(50,054,500)</b>
<b>Net Cost of Services</b>	<b>(26,100,500)</b>	<b>(24,828,100)</b>
Net Interest costs ( after interest receivable has been deducted	4,300,500	4,127,600
Contribution to capital expenditure and loan repayment	5,000,000	5,000,000
<b>Projected (surplus) / deficit for the year</b>	<b>(16,800,000)</b>	<b>(15,700,500)</b>
<b>Use of operating Surplus with £5m Loan Repayment</b>		
Depreciation Charges = transfer to Major Repairs Reserve to fund capital	14,400,000	14,870,000
Revenue Surplus used in Capital Programme (RCCO)	2,400,000	830,500
<b>Use of Operating Surplus</b>	<b>16,800,000</b>	<b>15,700,500</b>

## **Appendix 2 – Service charges for 2015/16**

	<b>Current Charge 2015/16</b>	<b>Proposed Charge 2016/17</b>
	<b>£</b>	<b>£</b>
<b><u>Flats (Communal entrance)</u></b>		
Service Charge - Staircase Lighting	0.59	0.60
Multi Storey service charge	14.04	13.58
Neighbourhood Wardens Low & medium rise blocks service charge	1.99	2.03
Neighbourhood Wardens General stock service charge	1.17	1.18
<b><u>Sheltered Housing</u></b>		
Sheltered service charge	25.11	24.37
Heating charge - private use	11.58	10.02
Heating charge - communal use	3.80	3.26
Water charge	3.65	3.74
Guest room charge	13.00	13.00
Guest flat charge	15.00	15.00
<b><u>Other</u></b>		
Cable TV charge	2.00	2.04
Communal TV aerials	1.12	1.13
Home contents insurance (per £100 of cover)	0.00	0.00
Grass Cutting	1.30	1.31
Hedge	1.30	1.31
<b><u>Support Charges</u></b>		
Sheltered housing support charge	3.10	3.13
Sheltered transitional protection	-1.67	-1.67
Homeline Charge	4.15	4.19
Homeline transitional protection	-0.30	-0.30
Homeline Charge - private tenants	5.69	5.74
Homeline Plus level 1	12.85	12.85
Homeline Plus level 2	14.30	14.30
Homeline Plus level 3	16.22	16.22

	<b>Current Charge 2015/16</b>	<b>Proposed Charge 2016/17</b>
	<b>£</b>	<b>£</b>
<b><u>Garage / Parking Charges</u></b>		
Garage rent	7.51	7.51
Account Garage + VAT	8.30	8.30
Parking space	2.54	2.54
Cross over - existing tenants	2.26	2.28
Cross over - new tenants	4.42	4.45
Cross over - new build properties (2 spaces)	8.83	8.91
Account parking space + VAT	2.83	2.83
Premium Garage + VAT	9.96	9.96
Premium parking space + VAT	6.23	6.23
<b><u>Supported Housing</u></b>		
Service Charge	38.42	39.19
Heating charge - private use	9.55	8.43
Heating charge - communal use	3.36	2.96
Water charge	4.40	4.40
Electricity	8.46	7.00
<b><u>Small Housing Schemes</u></b>		
Service charge - Moredon Road	35.26	35.58
Service charge - William Robins Court - LD clients	25.21	25.26
Service charge - William Robins Court - General needs	11.48	11.58
Service charge - Baileys Farm Gardens - General needs	14.23	13.94
Service charge - Baileys Farm Gardens - General needs water	3.65	3.53
Service charge - Marlowe Avenue	24.36	24.58
Service charge - Twyford Close	8.24	8.40
Service charge - Evelyn House	22.22	22.66
Service charge - Tyndale Gardens	27.67	28.22
Service charge - Kimmerfield Court (SBC element)	7.65	7.80
Service charge - Kimmerfield Court - Private heating charge	8.61	9.26
Service charge - Kimmerfield Court - Communal heating charge	2.84	3.04

## **Appendix 3 - Leaseholder Charges**

	<b>Current Charge 2015/16</b>	<b>Proposed Charge 2016/17</b>
	<b>£</b>	<b>£</b>
Ground Rent - Annual Charge	10.00	10.00
Leaseholder management charge - all properties	152.28	153.65
Leaseholder management charge - properties with communal areas	182.36	184.00
Service Charge - Staircase Lighting adjusted to actual charge during annual review	27.90	30.95
Multi Storey service charge	607.79	582.11
Administration charge for dealing with the re-sale of leasehold interest	155.00	155.00
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 2016/17

Item		2015/16 Budget	2016/17 Proposed Budget
		£	£
	<b><u>EXPENDITURE</u></b>		
1	S&M General	6,371,500	6,511,900
2	S&M Special	5,687,900	5,745,300
3	Repairs Administration	1,353,000	1,348,600
4	Contribution to Repairs Account	10,729,300	11,183,300
5	Rent, Rates & Taxes	76,700	77,300
	<b><u>Capital Financing</u></b>		
6	Capital Charges - depreciation council dwellings	14,400,000	14,870,000
7	Capital Charges - debt rescheduling premium	0	0
8	Revenue Contribution to Capital Outlay (RCCO) - Charged	2,400,000	830,500
9	Debt Management	60,000	60,000
10b	Discretionary Housing Payments	300,000	300,000
<b>11</b>	<b><u>TOTAL EXPENDITURE</u></b>	<b>41,378,400</b>	<b>40,926,900</b>
	<b><u>INCOME</u></b>		
	<b><u>Rent income</u></b>		
12	Dwellings	(43,980,000)	(43,190,000)
	Provision for Bad Debts	400,000	300,000
13	Less voids	439,800	432,900
14	Garages	(1,056,300)	(1,070,400)
15	Shops / Commercial	(252,700)	(264,000)
16	Support charges - Sheltered	(216,000)	(216,000)
17	Sheltered Housing Service Charges	(2,312,500)	(2,220,900)
18	Supported Housing Service Charge	(454,300)	(444,800)
		<b>(47,432,000)</b>	<b>(46,673,200)</b>
19	Miscellaneous Properties Rent	(94,400)	(94,400)
20	Service Charges - Flats	(78,400)	(78,600)
21	Sheltered Housing Heating Charges	(987,900)	(987,900)
22	Homeline	(892,800)	(911,300)
23	Other Service Charges / Other income	(1,193,400)	(1,309,100)
		<b>(3,246,900)</b>	<b>(3,381,300)</b>
<b>24</b>	<b><u>TOTAL INCOME</u></b>	<b>(50,678,900)</b>	<b>(50,054,500)</b>
<b>25</b>	<b><u>NET COST OF SERVICES</u></b>	<b>(9,300,500)</b>	<b>(9,127,600)</b>
26	Loan Charges - Interest	4,497,500	4,331,600
27	Interest on balances (interest receivable)	(197,000)	(204,000)
28	Right to buy mortgage interest (interest receivable)		
<b>29</b>	<b><u>NET OPERATING EXPENDITURE</u></b>	<b>(5,000,000)</b>	<b>(5,000,000)</b>
30	Loan repayments	5,000,000	5,000,000
<b>31</b>	<b><u>PROJECTED (SURPLUS) / DEFECIT FOR THE YEAR</u></b>	<b>0</b>	<b>0</b>

## **Appendix 5 - Proposed HRA Capital Budget 2014/15**

<b>Item</b>		<b>2015/16 Budget</b>	<b>2016/17 Proposed Budget</b>
		<b>£</b>	<b>£</b>
	<b><u>HRA Capital Schemes</u></b>		
1	Capital Projects and Planned Maintenance Programme	16,800,000	15,700,000
	Slippage from 2014/15 Programme	18,993,200	
2	Regeneration and Acquisition Programme	1,000,000	1,000,000
3	Non-Core Works:	0	0
4	<b>Total Capital Programme</b>	<b>36,793,200</b>	<b>16,700,000</b>
	<b><u>HRA Capital Funding Applied</u></b>		
5	Depreciation - transfer to MRR to fund capital	14,400,000	14,870,000
	In year Capital receipts	0	
6	S106 Funding	0	
7	Direct Revenue Financing	2,400,000	830,500
8	In year resources available	16,800,000	15,700,500
	<b><u>HRA Capital Reserves</u></b>		
9	Usable Capital Receipts		
10	Prudential Borrowing		
11	RTB Funding Used	383,200	(500,000)
12	HRA Capital Reserves	19,610,000	610,000
		19,993,200	110,000
13	<b>Total HRA Capital Funding</b>	<b>36,793,200</b>	<b>15,810,500</b>
14	<b><u>Revenue</u></b>		
15	<b>Repairs Budget</b>	<b>11,402,200</b>	<b>12,531,900</b>
<b>16</b>	<b>Total Revenue and Capital Repairs</b>	<b>47,195,400</b>	<b>28,231,900</b>
	<b><u>RTB retained funding</u></b>		
17	Brought forward	1,255,300	1,792,100
18	Used in year	(383,200)	500,000
19	Additional funding from in year sales	920,000	
20	Resources carried forward	1,792,100	2,292,100

## **Appendix 6 - Proposed 3 year Capital Programme**

<b>Group</b>	<b>2016/17 Budget</b>	<b>2017/18 Budget</b>	<b>2018/19 Budget</b>
Major Adaptations	1,300,000	1,100,000	1,100,000
Future Major Works	8,733,200	6,289,000	6,289,000
Contingent Major Repairs	151,000	151,000	151,000
Environmental & Communal Areas	160,000	160,000	160,000
Exceptional Extensive	4,335,300	5,600,000	5,600,000
Related Assets and Improvements	200,000	200,000	200,000
Planned Maintenance	820,500	2,200,000	2,200,000
Regeneration, acquisition and New Build	1,000,000		
<b>Total</b>	<b>16,700,000</b>	<b>15,700,000</b>	<b>15,700,000</b>

All budgets are shown in 2016/17 prices.

## **Appendix 7 - Proposed HGF Rents & Service Charges**

### **2016/17**

	<b>Current Charge 2015/16</b>	<b>Proposed Charge 2016/17</b>
	<b>£</b>	<b>£</b>
<b><u>Hay Lane Caravan Site</u></b>		
Caravan Site Pitch Rent	49.81	50.26
Caravan Site Workpen Rent Size 1	4.24	4.28
Caravan Site Workpen Rent Size 2	8.48	8.56
Caravan Site Workpen Rent Size 3	10.60	10.70
Caravan Site Workpen Rent Size 4	12.71	12.82
Caravan Site Workpen Rent Size 5	1.06	1.07
<b><u>Christopher House, Marlowe Avenue</u></b>		
Service Charge	19.35	14.97
<b><u>David Murray John Building</u></b>		
Heating charge - 1 bed property	11.17	9.89
Heating charge - 2 bed property	13.14	11.63
Service charge - 1 bed property	26.13	22.70
Service charge - 2 bed property	30.74	26.71
<b><u>PSL rents</u></b>		
1 Bed	148.28	148.28
2 Bed	169.04	169.04
3 Bed	195.00	195.00
4 Bed	200.00	200.00
These charges are subject to any changes to Local Housing Allowances made by Government		



# Appendix 8 - Comparison of Business Plans showing the impact of a 1% rent reduction and of not repaying debt of £5m over for the next 4 years

<b>Current HRA Business Plan - CPI + 1%</b>											
		<b>Income</b>							<b>Net Available for Investment</b>		
Year	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	2016.17	45,322	(2,196)	43,127	8,070	51,196	(24,026)	(4,435)	22,735	(5,000)	17,735
2	2017.18	46,937	(2,608)	44,330	8,234	52,564	(24,873)	(4,327)	23,365	(5,000)	18,365
3	2018.19	48,588	(2,861)	45,726	8,527	54,253	(25,897)	(4,279)	24,077	(5,000)	19,077
4	2019.20	51,344	(3,537)	47,807	8,941	56,748	(26,964)	(4,198)	25,586	(5,000)	20,586
	<b>Totals</b>	<b>192,191</b>	<b>(11,201)</b>	<b>180,990</b>	<b>33,771</b>	<b>214,761</b>	<b>(101,760)</b>	<b>(17,239)</b>	<b>95,762</b>	<b>(20,000)</b>	<b>75,762</b>

<b>Updated 16/17 HRA Business Plan - Proposed 1% Rent reduction over next 4 years</b>											
		<b>Income</b>							<b>Net Available for Investment</b>		
Year	Year	Rental Income 1% cut YoY	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	2016.17	43,190	(731)	42,459	7,547	50,005	(23,612)	(4,352)	22,042	(5,000)	17,042
2	2017.18	42,492	(719)	41,772	7,493	49,265	(24,084)	(4,186)	20,995	(5,000)	15,995
3	2018.19	41,781	(707)	41,074	7,716	48,789	(24,806)	(4,020)	19,963	(5,000)	14,963
4	2019.20	41,910	(710)	41,200	7,945	49,145	(25,551)	(3,854)	19,740	(5,000)	14,740
	<b>Totals</b>	<b>169,373</b>	<b>(2,867)</b>	<b>166,505</b>	<b>30,700</b>	<b>197,205</b>	<b>(98,052)</b>	<b>(16,413)</b>	<b>82,740</b>	<b>(20,000)</b>	<b>62,740</b>

<b>Business Plan variations</b>											
		<b>Income</b>							<b>Net Available for Investment</b>		
Year	Year	Rental Income 1% cut YoY	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	2016.17	(2,132)	1,464	(668)	(523)	(1,191)	415	83	(693)	0	(693)
2	2017.18	(4,446)	1,888	(2,557)	(741)	(3,299)	789	141	(2,369)	0	(2,369)
3	2018.19	(6,807)	2,154	(4,653)	(811)	(5,464)	1,091	259	(4,114)	0	(4,114)
4	2019.20	(9,434)	2,827	(6,607)	(996)	(7,603)	1,413	343	(5,846)	0	(5,846)
	<b>Totals</b>	<b>(22,819)</b>	<b>8,334</b>	<b>(14,485)</b>	<b>(3,071)</b>	<b>(17,556)</b>	<b>3,708</b>	<b>826</b>	<b>(13,022)</b>	<b>0</b>	<b>(13,022)</b>

<b>Impact of not repaying £5m debt for each of the next 4 years</b>											
		<b>Income</b>					<b>Expenditure</b>		<b>Net Available for Investment</b>		
Year	Year	Rental Income 1% cut YoY	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	2016.17	43,190	(731)	42,459	7,547	50,005	(23,612)	(4,352)	22,042		22,042
2	2017.18	42,492	(719)	41,772	7,493	49,265	(24,084)	(4,352)	20,829		20,829
3	2018.19	41,781	(707)	41,074	7,716	48,789	(24,806)	(4,352)	19,631		19,631
4	2019.20	41,910	(710)	41,200	7,945	49,145	(25,551)	(4,352)	19,242		19,242
	<b>Totals</b>	<b>169,373</b>	<b>(2,867)</b>	<b>166,505</b>	<b>30,700</b>	<b>197,205</b>	<b>(98,052)</b>	<b>(17,409)</b>	<b>81,744</b>	<b>0</b>	<b>81,744</b>
		Variance due to change in debt repayment						<b>(996)</b>	<b>(996)</b>	<b>20,000</b>	<b>19,004</b>

Note: debt repaid at financial year end, therefore impacts the following years interest payments