

HRA

APPENDIX B

The table shows the agreed Original Budget for the HRA and proposed revisions to it.

- Summary of Changes

- Following March 2022 CPG Report, recommendation for 2022/23 only, **£7.435m** BDMS contractual increase to fund additional capacity in the BDMS contracts (increased trades numbers) and to provide for inflationary uplifts on subcontractor payments plus an increase in the management fee and a 15% margin across the contracts.
- Additional expenditure of **£463,000** for My Place management, DLO provision to cover former apprentice post commitments and additional fixed term legal costs to manage Disrepair Claims.
- The above increases on Repairs and Maintenance as well as Supervision and Management have partly been offset by the impact of the review of HRA recharges to/from the General Fund (**£2.386m**) and reduction of Corporate Support Services to the HRA (**£1.074m**) via My Place.
- The above net movements require a (**£4.438m**) reduction in available funding towards the Capital Programme (RCCO).

HOUSING REVENUE ACCOUNT BUDGET	CABINET (FEB '22)		REVISED
	2022/23 BUDGET	CHANGE	2022/23 BUDGET
Income			
Dwelling Rents	(£88,254,553)	£0	(£88,254,553)
Non Dwelling Rents	(£770,000)	£0	(£770,000)
Charges for Services & Facilities	(£22,047,998)	(£137,750)	(£22,185,748)
Interest & Investment Income	(£298,672)	£0	(£298,672)
Total Income	(£111,371,223)	(£137,750)	(£111,508,973)
Expenditure			
Repairs & Maintenance	£18,851,284	£5,363,555	£24,214,839
Supervision & Management	£44,627,768	(£1,105,166)	£43,522,602
Rents, Rates, Taxes & Other	£949,678	£0	£949,678
Interest Charges	£10,943,624	£0	£10,943,624
Provision for Bad Debt	£3,309,000	£0	£3,309,000
Leaseholder Provision for Major Works	£1,280,574	£0	£1,280,574
Corporate & Democratic Core	£685,000	£317,652	£1,002,652
Total Expenditure	£80,646,928	£4,576,041	£85,222,969
NET REVENUE SURPLUS	(£30,724,295)	£4,438,291	(£26,286,004)
Used to Fund Capital Programme - as follows			
Depreciation	£17,088,028	£0	£17,088,028
Revenue Contribution to Capital Outlay (RCCO)	£13,636,267	(£4,438,291)	£9,197,976
CAPITAL PROGRAMME	£30,724,295	(£4,438,291)	£26,286,004
BALANCED BUDGET	£0	£0	£0

HRA

- The revised Capital Programme reflects a **(£13.0m)** reduction due to re-profiling commitments within the Stock Improvement Programme across future years. (The overall budget has not changed but the projected in year spend has reduced.)
- As highlighted on the previous slide, this also assists with the reduction in available revenue surplus, at **£4.438m**, to fund this year's Capital Programme.
- The re-profiling of commitments also reduces the planned borrowing required to fund the programme, and so reduces the borrowing estimate, by over £250,000 per annum.

OVERALL CAPITAL PROGRAMME			
	FEB -22 Cabinet	Change	Revised Budget
22-23 £000s			
Investment in Stock Programme	30,000	- 13,000	17,000
Energy Improvements	5,000	- 3,000	2,000
Careline Upgrade	500	-	500
	35,500	- 16,000	19,500
Estate Renewal	8,800		8,800
New Build	2,200		2,200
TOTAL HRA PROGRAMME	46,500	- 16,000	30,500
Funded By			
Revenue Surplus	30,724	- 4,438	26,286
Leaseholder Contributions	1000	0	1000
Borrowing	14776		3214
TOTAL FUNDING	46,500	- 4,438	30,500
Interest Cost of Borrowing	443.28		96.42

HRA Stock Improvement Programme

	Project	Forecast for 2022-23	
C00100	Aids and Adaptations	£	1,000,000.00
C02933	Voids	£	1,242,198.63
C04002	Lift Replacement	£	452,514.66
C04003	Domestic Heating	£	993,452.85
C04004	Box-Bathroom Refurbs	£	35,175.93
C04006	Minor Works & Replacements	£	144,161.60
C05000	DH Internal	£	2,480,645.90
C05002	Externals 1 - Houses & Blocks	£	2,316,778.02
C05003	Externals 2 - Houses & Blocks	£	3,011,251.26
C05004	Door Entry Systems	£	298,352.40
C05005	Compliance	£	323,696.00
C05006	Fire Safety Improvement Works	£	54,268.80
C05007	Fire Doors	£	200,000.00
C05008	De-Gassing of Blocks	£	27,393.52
C05011	Communal Boilers	£	244,860.00
C05013	Estate Roads Resurfacing	£	3,000,000.00
C05015	Other Works	£	641,016.90
C05068	Adaptations and Extensions	£	225,176.02
	Total for Stock Investment (My Place)	£	16,690,942.49

This chart shows the expected spend in this financial year. It is part of the overall budget approval of £60m over three years.