

Agenda Item No 13

Resources Board

27 January 2014

**Report of the
Deputy Chief Executive**

**Housing Revenue Account
Estimates 2014/15 and
Rent Review**

1 Summary

- 1.1 The report covers the revised budget for 2013/14 and an estimate of expenditure for 2014/15, together with forward commitments for 2015/16, 2016/17 and 2017/18.

Recommendation to the Board

- a To accept the revised estimate for 2013/14;**
- b That rent increases, calculated on the basis that the Council will continue to move properties towards their individual target rents, be adopted;**
- c To approve the proposed fees and charges for 2014/15 as set out in Appendix D;**
- d To approve the service charges for the cleaning of communal areas, as detailed in Appendix E, from April 2014;**
- e To approve the service charges for window cleaning, as detailed in Appendix F, from April 2014; and**
- f To accept the Estimates of Expenditure for 2014/15, as submitted.**
- g That growth bids of £248,000 in 2014/15 and £210,000 in 2015/16 be approved, subject to Housing Sub Committee approving the detailed proposals.**
- h That one off growth bids of £390,000 in 2014/15 funded through the use of earmarked reserves be approved, subject to Housing Sub-Committee approving the detailed proposals.**

2 Consultation

- 2.1 The Chairman, Vice Chairman and Opposition Spokesperson for Resources and Housing Sub-Committee have been sent an advanced copy of this report for comment. Any comments received will be reported verbally at the meeting.

3 Introduction

3.1 In consultation with other Assistant Directors, the Assistant Director (Finance and Human Resources) has prepared an estimate of net expenditure for 2014/15 and this, together with a revised budget for 2013/14, appears in Appendix A. To provide a more complete picture of the spending pattern of the service, the actual figures for 2012/13 are shown.

3.2 The Housing Revenue Account has been prepared, taking into account the following assumptions:

- A 2% pay award for 2014/15 onwards
- Increases in the Council's pension contribution rate of 1% per annum up to 2017/18
- The continuation of the current rent policy in 2014/15 to move properties towards their individual target rents, within the constraint of increases capped at inflation plus 0.5% +£2 per week, set by the CLG. From 2015/16 it is expected that the rent formula will change to CPI plus 1% only.
- No general provision for inflation has been included for 2014/15 although where contractual obligations require a specific price increase in line with inflation, these have been provided. A general inflationary increase of 2.50% has only been given in alternate years within supplies and service budgets, in order to encourage efficiencies in procurement.

4 Comments on the 2013/14 Revised Budget

4.1 The revised budget for 2013/14 shows an expected surplus of £679,640; which is £445,640 better than the approved budget surplus of £234,000. The main variations are given below.

- a Departmental support costs charged to the **Repairs Fund** have decreased due to salary allocation changes within the housing maintenance section which have moved costs to capital.
(£19,320)
- b Central support costs charged to the **Repairs Fund** have decreased due to a reallocation of Customer Contact to Housing Management.
(£16,310)
- c An increased contribution to the **Repairs Fund**, previously approved by this Board, relating to the permanent transfer of some electrics and asbestos capital funds to revenue of £193,950 and a one off growth bid of £106,200 to cover works on void properties, gas repairs and servicing.
£341,030

- d There has been an increase in **General Administration, Register and Lettings, Estate Management and Rent Collection and Arrears**. This is mainly due to a movement in the recharge of the Customer Contact from the repairs fund and a reallocation of Housing Management staffing budgets between the General Fund and the Housing Revenue Account. In addition there is an increase in the Democratic Services recharged to the Housing Revenue Accounting and an increase in the costs of council tax chargeable on void properties.
- £129,370
- e There has been an increase in the **Flats and Community Centres** budget due higher utility costs, additional costs of inspecting sites for legionella testing, the pilot grounds maintenance scheme, cleaning materials and a small reallocation of Housing staff time. These have been partially offset by a reduction in window cleaning costs as the service did not take place from April to September this year due to the contractor ceasing trading and additional income from hiring out more space in community rooms.
- £21,650
- f Since the Housing Revenue Account become self financing the Government allows the authority to retain some of the capital receipts from the sale of additional Council Houses as **Allowable Debt from receipts** to be used to fund new replacement Council Housing.
- (£473,090)
- g The budget provision for the **capital programme** has decreased to cover the transfer to the repairs fund mentioned in (c) above.
- (£193,950)
- h There has been a small increase due to a change in the inflation percentage applied in the level of funding to support the **new council house building** scheme in Atherstone.
- £10,000
- i The **Contingency Reserve** has been removed with the balance reverting back to form part of the Housing Revenue Account balance.
- (£308,900)
- j The service charges made to **Leaseholders** of flats have increased due to the higher repair levels which are rechargeable.
- (£11,790)
- k The **Interest on balances** has decreased. Although notional investments have been adjusted to reflect the higher level of balances held by the Housing Revenue Account, funds can only be invested at the moment at a low rate of interest.
- £13,550

- I There has been a reduction in **rental income** due to a higher levels of void properties during the year and a higher than expected level of council house sales.

£66,600

5 Rent Setting

- 5.1 The authority is continuing with the current rent policy of rent restructuring which means that individual targets and rents are set for each property. All properties will need to increase rents to get to their target rent. Although there is an average rent increase of £5.29 per week (6.2%), individual rent changes will vary from increases of £2.74 to £6.49 in 2014/15. This is due to the adherence to the limit previously set by government which require individual rents to rise by no more than inflation plus 0.5% plus £2 per week.
- 5.2 An exception to the standard approach to rent increases relates to the 25 newly built properties in Arley, Water Orton, Kingsbury and Fillongley, completed during 2010/11 and 2011/12. The rents for these were set at the target levels, so the increase in 2014/15 will be inflation plus 0.5%. The average rent increase will be £3.68 per week (3.7%), whilst individual rent changes will vary from increases of £3.32 to £4.01 in 2014/15.

6 Comments on the 2014/15 Estimates

- 6.1 The estimated balance on the Housing Revenue account at 1 April 2014 is £1,246,265, which is slightly lower than the £1,259,405 anticipated in the original estimates. Looking in greater detail at the coming year, the budget for 2014/15 shows an expected surplus of £634,480. The main variations are explained below:

- a Pay awards have been provided on the basis of a 2% settlement with effect from 1 April 2014 and increments have been included where necessary.
- b The **provision for bad debts** has been increased from 1% of rents to 1.5% of rents to reflect the current changes being made to welfare reform.

£75,410

- c The **contribution to the Repairs Fund** has been calculated with an inflationary increase of 3% and an assumed sale of 15 Council house (see Appendix B). This has been more than offset by the removal of the one off supplementary estimate of £106,200 in 2013/14.

(£42,060)

- d The increases on **Flats and Communal Centres** relates to inflationary allowance made to budgets and the inclusion of the full year budget of the new window cleaning service. This has been partially off set by the

removal of the pension cost adjustment budget and the removal of the one off grounds maintenance budget.

£8,590

- e A decrease in the **capital charges** relates to the premiums on early redemption of debt from 2003-04 which have now been fully written out.

(£28,950)

- f There is a decrease in the **interest payable** on the debt outstanding as part of the debt is paid off each year.

(£7,030)

- g A decrease in the **Allowable Debt** from receipts to spend on building new council houses, as we are budgeting to sell a lower level of council houses in 2014/15 in comparison with 2013/14.

£272,580

- h There is an increase in the funding set aside to cover **capital spending** in 2014/15 to match the business plan, which includes a contingency sum. This has been partially offset by the removal of budget provision for external improvements for the Piccadilly estate which are now completed.

£404,950

- i An inflationary increase has been included for **new build**. As the full amount is not expected to be used in the year, the balance will be moved to the New Build Reserve.

£41,600

- j Due to the issues with the Window cleaning contractor during 2013/14 there will be no **window cleaning service charge** proposed for the service during 2014/15 as it is charged for a year in arrears.

£12,870

- k There is an increase in **garage rents**, as it is proposed to increase rents by 50 pence per week to £5.58 per week from April 2014. The increase has been partially offset by the removal of 8 garages at Lister Road due to the new council house build scheme on the site.

(£24,590)

- l There is a decrease in **shop rents** as some properties are being demolished to enable the new build scheme to take place in Atherstone.

£4,490

- m The **Interest on balances** has increased, as notional investments have been adjusted to reflect the higher level of balances held and a small increase in interest rates expected by the HRA.

(£10,390)

- n There is an increase in Council house **rental income** as the Authority continues to move towards its target rent, in line with the rent restructuring rules.

(£643,070)

7 Housing Repairs Fund

- 7.1 The HRA makes an annual contribution to the Repairs Fund. Part of the contribution is set aside for the day to day maintenance, with the remainder used for planned maintenance work. The fund covers payments to Housing Direct Works and outside contractors. The majority of the current workload is completed by Housing Direct Works (see Appendix B).

- 7.2 A small balance is usually maintained on the Housing Repairs Fund, which is used to meet fluctuations in the timing of repair work.

8 Housing Direct Works

- 8.1 Estimates for Housing Direct Works (HDW) have been prepared for 2014/15, along with the revised position for 2013/14, and these are attached as Appendix C.

- 8.2 The main changes between the original and revised budgets for 2013/14 are:

- **Supplies and services** have increased due to changes in material usage and cost, scaffolding costs and the transfer of some budget from capital.

£191,650

- **Recharges to Other Services** have decreased to reflect the lower level of capital and facilities maintenance work undertaken by Housing Direct Works staff.

£170,940

- There has been a reallocation in the recharge from the Customer contact budget to Housing Management to reflect the use of the service.

(£48,200)

- There has been a reduction in the IT capital charge as the system has become fully depreciated.

(£9,240)

- 8.3 The main changes between the revised 2013/14 and original budget for 2014/15 are:

- **Employee** costs have increased, due to a 2% pay award allowance and a 1% increase in superannuation contributions.

£20,580

- **Supplies and services** have decreased due to a lower expected level of material usage and cost.

(£14,110)

- **Transport costs** have decreased as a lower level of maintenance costs are expected, as well as a reduction in the requirement to hire in vehicles.

(£7,580)

- **Gross income** has increase due to an expectation that Housing Direct Works will completed a higher level of capital works.

(£41,380)

- **Departmental and Central Support** charges have increased by an inflationary allowance and an additional Depot recharge from the reallocation of Depot usage now that Refuse and Recycling have moved to Lower House Farm.

£15,810

9 Fees and Charges

- 9.1 The proposed fees and charges have been increased by 3% for 2014/15, with the exception of hiring of Community Centres. The detailed list of fees and charges is attached as Appendix D to the report.

...

10 Service Charges

- 10.1 There is a requirement for service charges to be paid by those tenants who actually receive specific services. NWBC make specific charges for window cleaning and cleaning costs of communal areas in blocks of flats. The current and proposed charges are attached in Appendices E and F.

...

- 10.2 The Council also makes a service charge to the lease holders of flats that have been sold under the Right to Buy legislation. This reflects the actual costs of management and maintenance.

11 Four Year HRA Forecast – 2014/15 to 2017/18

- 11.1 A detailed four year estimate has been developed, to cover the medium term position of the HRA. This is summarised in the table below, with some additional detail given in Appendix G.

...

	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Management and Maintenance	4,834	4,890	5,049	5,304
Interest on borrowing	1,633	1,624	1,611	1,593
Repayment of borrowing	1,250	1,300	1,450	1,600
Capital expend funded by revenue	2,719	3,196	3,600	3,687
New Build	1,082	1,125	1,170	1,217
Total Expenditure	11,518	12,135	12,880	13,401
Income	(12,112)	(12,523)	(12,902)	(13,292)
Interest on Balances	(40)	(55)	(86)	(123)
Total Income	(12,152)	(12,578)	(12,988)	(13,415)
(Surplus)/Deficit on the year	(634)	(443)	(108)	(14)
Balance at 31 March	(1,881)	(2,324)	(2,432)	(2,446)

12.2 Whilst the above figures show an increasing level of balances at the end of 2017/18, there are various changes expected that could have an impact on these figures.

11.3 The above figures include an increase in bad debt provision which may be insufficient depending on the outcomes of the changes expected from the welfare reform in the next couple of years, and the impact of any further increases in uncollectable rent.

11.4 There is also a potential requirement for a growth in staffing to deal with any additional workloads resulting from welfare reform and the general collection of rent income.

12 Growth

12.1 Detailed reports on a number of growth requests have been prepared by the Assistant Director (Housing) for consideration by the Housing Sub-Committee, at their meeting tomorrow evening. The growth bids that will reduce the balances of the HRA are summarised in the table below, with a brief description of each in the following paragraphs.

		2014/15 £	2015/16 £
2 Stock condition surveyors	18 months	77,000	39,000
1 Contract Surveyor - Procurement	2 years	40,000	40,000
Software Maintenance	Revenue on-going	8,000	8,000
1 Gas Plumber/Contractor seasonal	Revenue on-going	39,000	39,000
Asbestos - removal	Revenue on-going	50,000	50,000
Legionella - Risk Assessments	Revenue on-going	34,000	34,000
Growth Bid Sub Total		248,000	210,000

- 12.2 Stock surveys were last undertaken for the Government's Options Appraisal process in 2005, by external consultants. The audit of stock condition information has indicated that to support future programmes of work a new proactive on site survey of properties is required. It is proposed to undertake on site surveys of all of the Council's stock, using two surveyors who will be appointed for a temporary 18 month period. The designated surveyors would develop systems of work, which would allow the in house team to keep the information up to date as part of their daily work routine in the future.
- 12.3 Funding for the 2013/14 capital programme included a significant level of carried forward funding. During the year limited capacity in the Maintenance Team has again restricted the extent of the capital programme the Housing Division has been able to deliver. In order to improve this situation it is proposed that a designated procurement officer/ quantity surveyor is appointed. Initially this can be for a period of two years. This is a role that was used when the partnering contract was on site and it did provide good technical knowledge and close client oversight of projects. The post will also add much needed capacity to the Council's intended new build work stream. Currently the burden of this is taken by the Assistant Director (Housing) and the Housing Strategy Officer. However a more technical role is also required to meet the Council's ambitions in this area.
- 12.4 The Housing Direct Works Team was modernised in 2008 to provide for a multi trade workforce and brought gas and electrical works into the in house team. There are currently 3 designated gas plumbers within the team. In addition there are two plumbers who are Gas Safe trained who can add to the capacity of the team to deal with heating failures if required. Since 2008 the Council has undertaken extensive improvement schemes and has been changing heating systems to gas. Existing staffing is now insufficient to provide for gas servicing, heating repairs and emergency heating failures. The Assistant Director (Housing) is requesting additional funding which can be used to employ a specialist sub contractor for 12 months to provide for additional gas servicing works, whilst she reviews the service requirements over the longer term.
- 12.5 The Housing Division is required to deal with the removal of asbestos materials when this is needed. The cost of removal varies from property to property, but can be significant in some cases. Dealing with an increased number of voids has put additional pressure on the current budget for removal, so additional resources are requested to supplement the existing provision.
- 12.6 The Housing Division currently carries out monitoring activities relating to legionella at community centres and flats, but has been unable to carry out annual risk assessments. Budget provision is requested to allow these to be undertaken.

- 12.7 In addition there are some one off growth bids which can be funded through the use of existing earmarked reserves held by the HRA. These growth bids are summarised in the table below, with a brief description of each in the following paragraphs.

		2014/15 £
Software for remote working	One Off	5,000
Software – Contract Plus job costing etc.	One Off	35,000
Asbestos surveys	One Off	170,000
Legionella testing - Remedial works	One Off	130,000
Fire Risk Assessments	One Off	30,000
Grounds Maintenance	One Off	20,000
Growth Bids to be funded from Earmarked Reserve		390,000

- 12.8 A review in 2010 rejected extending the use of technology in the Maintenance Service in favour of paper based systems and a reliance on extensive spreadsheets to identify trends. However a further review has shown that the current systems of work which are largely supported by paper based arrangements are not sufficiently adequate for business analysis to allow managers to use facts to direct the service. Having undertaken a modernisation approach to the structure of the workforce it is now proposed that the Council invests in software that will provide much closer monitoring of work undertaken and costs as well as the ability to work remotely.
- 12.9 We do not have complete information about asbestos for our domestic stock. Having and sharing information about asbestos in our properties is critical to the Council being able to meet its duties under Health and Safety at Work Regulations to safeguard all personnel that work in its premises. It also has a duty of care to its tenants and other occupiers of their homes. Unfortunately the approach to obtaining information agreed by the Resources Board in March 2013 has not been effective. It is proposed to undertake a procurement exercise to obtain a competitive price to undertake the relevant asbestos surveys it requires for domestic properties with a view to having them completed within 12 months.
- 12.10 The Housing Division has undertaken regular testing for the Legionella bacteria in its communal rooms for many years. Work has also been undertaken recently to water systems in flats to ensure safety. However following a recent exercise to update the risk assessments of all areas the necessity for some remedial works has become apparent. Additional budget will be required to cover these works.
- 12.11 The Housing Division has fire risk assessments in place for its communal areas, however the independent audit indicated that these should be revised and enhanced. Additional capacity will be sought to undertake this work through a procurement exercise. Budget requirement to provide for any remedial works will be needed.

12.12 A pilot scheme trialling the use of box mowing at some of the Council's flats has been run in the current year. The Assistant Director (Housing) would like to extend the trial to other locations in 2014/15, to gather additional feedback before coming to any conclusions about the potential change in service. An additional budget is requested to enable this.

12.13 The balance on the Housing Revenue account can easily support the above projects. The impact on balances of the growth bids is set out below.

	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000
(Surplus)/Deficit on the year	(634)	(443)	(108)	(14)
Growth Bids	248	210	131	131
Revised (Surplus)/Deficit on the year	(386)	(233)	23	117
Revised Balance at 31 March	(1,632)	(1,865)	(1,842)	(1,725)

13 30 Year HRA Business Plan

13.1 As management of the housing stock is a long term requirement, a business plan has been put together for 30 years, although expenditure in particular is difficult to predict so far in advance. This has been updated as part of the estimates process and the revised business plan is attached as Appendix G1.

13.2 The expected position on the Housing Revenue Account at the end of the 30 years is a surplus of £53 million. This is after funding capital expenditure of £217 million, with in excess of £58 million of that funding set aside for new build schemes or other improvement schemes. Borrowing of £59 million will also have been repaid.

13.3 If the on going growth set out in paragraph 12.1 is approved, there will be an impact on the 30 year business plan. However an updated plan, which is attached as Appendix G2, shows that an acceptable level of balances can still be maintained throughout the 30 years.

13.4 Surpluses can be used on the provision of new housing or increasing the standard of maintenance on the existing stock. However the expected surplus of £49 million after 30 years is not excessive, given the possible impact of welfare reform on rent collection.

14 Risks to the Business Plan

14.1 The expected surplus on the Business Plan is dependent on adherence to the assumptions used in the forecast. Varying these would impact on the achievement of a surplus. The key risks to the budgetary position of the Housing Revenue Account include:

- A change in interest rates, if funds need to be borrowed.

- A reduction in the rent levels assumed in the Business Plan, as this could impact significantly on the expected surpluses. More attractive Right to Buy conditions could encourage higher sales.
- The impact of Benefit changes on the ability to collect rents.
- An increase in the level of capital spending required on the existing stock, due to unforeseen events. The contingency included within the Business Plan should cover this risk. However any increase in standards would impact on the current business plan.
- Rising tenant expectations and an ageing stock are likely to continue to increase the demand for repairs. It is likely that this increase could be accommodated within existing budgets.
- Any reduction in the performance of Housing Direct Works will put pressure on the Council to use external contractors and therefore will impact on the level of expenditure.
- Asbestos removal is an ongoing cost pressure over the next few years until the full picture of the level of asbestos is contained the council houses and the cost of removal is assessed.

... 14.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix H.

14.3 Assuming a minimum working balance of £1,000,000, the Council can continue with services at current levels over the next four years. However, the service will still need to demonstrate value for money.

15 **Conclusions**

15.1 The Housing Revenue Account is in a better financial position than it has been in previous years. Decisions which vary the Business Plan in any significant way will need to be quantified and the impact considered before they are implemented, to ensure the long term sustainability of the Housing Revenue Account.

16 **Report Implications**

16.1 **Finance and Value for Money Implications**

16.1.1 As above.

16.2 **Environment and Sustainability Implications**

16.2.1 Operating in line with the Business Plan will ensure the long term sustainability of the Housing Revenue Account.

16.3 Equality Implications

- 16.3.1 The impact of the Welfare Reforms on Council tenants and income collections has previously been reported to Housing Sub Committee. Work being undertaken will help to inform the Council's understanding of the impacts from the rent restructuring changes and the increases being applied. Monitoring of the impacts will be carried out as any changes are implemented.

16.4 Risk Management Implications

- 16.4.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

The Contact Officer for this report is Nigel Lane (719371).

HOUSING REVENUE ACCOUNT				
Actual 2012/13	DESCRIPTION	ORIGINAL BUDGET 2013/14 £	REVISED BUDGET 2013/14 £	ORIGINAL BUDGET 2014/15 £
	EXPENDITURE			
81,132	Provision for Bad Debts	100,000	100,000	175,410
	Repairs Fund			
228,530	Departmental Support Services	217,620	198,300	210,000
137,520	Central Support Services	146,010	129,700	135,530
2,401,980	Contribution to Fund	2,214,550	2,555,580	2,471,270
-	Contrib to fund Asbestos Surveys	74,900	74,900	77,150
1,502,216	MRA/ Capital Charges	-	-	-
	Management			
545,880	General Administration	535,970	536,490	523,750
158,112	Housing Registor & Lettings	159,640	203,950	207,960
233,825	Tenancy & Estate Management	228,140	268,010	279,710
204,788	Rent Collection & Arrears	220,510	265,180	263,990
46,759	Tenant Participation	64,770	65,110	67,190
344,099	Flats & Communal Centres	342,410	364,060	372,650
33,089	Supporting People Service	29,070	28,200	28,310
1,826	Laundries	5,380	5,760	5,760
14,794	Cesspools and Management of Shops	16,370	14,650	14,930
29,034	Capital Charges	28,950	28,950	-
-	Revenue Contribution to Capital	-	-	-
-	Buy out of Subsidy System (CLG)	-	-	-
450,523	Transfer to General Fund	-	-	-
1,661,352	Interest on Loans (as per Business Plan)	1,640,300	1,640,300	1,633,270
750,000	Revenue set aside (as per Business Plan)	1,250,000	1,250,000	1,250,000
-	Allowable Debt from Receipts	-	(473,090)	(200,510)
-	Capital Spend (as per Business Plan)	2,708,950	2,515,000	2,919,950
-	Capital Spend - New Build ***	1,026,760	1,026,760	1,026,760
1,294,858	Contribution to Contingency Reserve	308,900	-	-
1,000,000	Contribution to New Build Reserve ***	3,240	13,240	54,840
(7,509)	Transfer to Department for Communities and Local Government (DCLG)	-	-	-
11,112,809	Gross Expenditure	11,322,440	10,811,050	11,517,920
	INCOME			
20,843	Service Charges - Leaseholders	24,530	36,320	36,320
13,727	Service Charges - Window Cleaning	12,870	12,870	-
38,202	Service Charges - Cleaning & Caretaking	40,990	40,220	41,270
238,182	Garage Rents	235,360	231,140	255,730
92,599	Shop Rents	82,300	89,900	85,410
76	Interest on Sale of Council Houses	50	50	20
17,988	Interest on Balances	43,030	29,480	39,870
6,755	Pensions reserve	-	-	-
10,565,408	Gross Rents (less voids)	11,117,310	11,050,710	11,693,780
10,993,780	Gross Income	11,556,440	11,490,690	12,152,400
119,029	(Surplus)/Deficit for Year	(234,000)	(679,640)	(634,480)
(675,655)	Revenue Fund balance at start of year	(1,025,405)	(566,625)	(1,246,265)
(556,625)	Revenue Fund balance at end of year	(1,259,405)	(1,246,265)	(1,880,745)
25	Average no. of properties (other)	30	25	43
2,704	Average no. of properties (other)	2,697	2,692	2,663

Appendix B

HOUSING REPAIRS FUND

£

Balance at 1 April 2013	59,816
Contribution 2013/14	2,958,480
Expected Use of Fund	(2,958,480)
Balance at 1 April 2014	59,816
Contribution 2014/15	2,893,950
Expected Use of Fund - Housing Direct Works	(1,944,570)
Expected Use of Fund - Other Contractors	(603,850)
Expected Use of Fund - Departmental and Central Support	(345,530)
Balance at 1 April 2015	59,816

Appendix C

1500 - 1506 - HOUSING DIRECT WORKS			
DESCRIPTION	APPROVED BUDGET 2013/14	REVISED BUDGET 2013/14	ORIGINAL BUDGET 2014/15
Employee Expenditure	853,190	852,530	873,110
Supplies & Services	537,790	729,440	715,330
Transport	104,360	102,990	95,410
GROSS EXPENDITURE	1,495,340	1,684,960	1,683,850
Recharges to Other Services	(211,450)	(40,510)	(81,890)
NET CONTROLLABLE EXPENDITURE	1,283,890	1,644,450	1,601,960
Departmental Support	178,040	179,400	184,760
Central Support Services	114,900	66,700	77,150
Leasing Charges	49,040	39,800	41,320
Net Costs to Repairs Fund	1,625,870	1,930,350	1,905,190

NORTH WARWICKSHIRE BOROUGH COUNCIL**HOUSING****FEES AND CHARGES FROM 1 APRIL 2014**

	2013/14	2013/14		TOTAL	TOTAL	2014/15	2014/15			
	NET	NET	VAT	TOTAL	TOTAL	NET	NET	VAT	TOTAL	TOTAL
	CHARGE	CHARGE	RATING	CHARGE	CHARGE	CHARGE	CHARGE	RATING	CHARGE	CHARGE
	£	£		20% VAT	20% VAT	£	£		20% VAT	20% VAT
				£	£				£	£
COMMUNAL CENTRES										
	Voluntary	Private		Voluntary	Private	Voluntary	Private		Voluntary	Private
	Groups			Groups		Groups			Groups	
Communal Centres										
Use of lounge (per 2 hours)	5.00	10.00	Exempt	5.00	10.00	5.00	10.00	Exempt	5.00	10.00
Use of kitchen	1.00	2.00	"	1.00	2.00	1.00	2.00	"	1.00	2.00
Purpose Built Community Centres										
Use of lounge (per 2 hours)	7.50	15.00	Exempt	7.50	15.00	7.50	15.00	Exempt	7.50	15.00
Use of kitchen	1.50	3.00	"	1.50	3.00	1.50	3.00	"	1.50	3.00
Multi-Purpose Centres										
Use of lounge (per 2 hours)	10.00	20.00	Exempt	10.00	20.00	10.00	20.00	Exempt	10.00	20.00
Use of kitchen	2.00	4.00	"	2.00	4.00	2.00	4.00	"	2.00	4.00
	NET	VAT	TOTAL			NET	VAT	TOTAL		
	CHARGE	RATING	CHARGE			CHARGE	RATING	CHARGE		
	£		20% VAT			£		20% VAT		
			£					£		
GUEST BEDROOMS										
Per night	0.87	Incl. VAT	1.05			0.92	Incl. VAT	1.10		
		at					at			
Per week	6.00	"	7.20			6.18	"	7.40		
ALLOTMENT RENT										
Waverton Avenue, Warton	2.85	Exempt	2.85			2.90	Exempt	2.90		
GARAGE PLOTS										
Bracebridge Road, Lister Road & St.George's Road, Atherstone										
NWBC council house tenants	23.60	Exempt	23.60			24.20	Exempt	24.20		
Others	23.92	Incl. VAT	28.70			24.50	Incl. VAT	29.40		
		at					at			
		Standard					Standard			
		Rate					Rate			
COUNCIL OWNED GARAGES										
NWBC council house tenants	5.08	Exempt	5.08			5.58	Exempt	5.58		
		Incl. VAT					Incl. VAT			
		at					at			
		Standard					Standard			
Others	5.08	Rate	6.10			5.58	Rate	6.70		

Proposed Cleaning Service Charges per
week

Appendix E

Name of Scheme	Cost Per Property 2013/14 £	Cost per week (48 wks) 2013/14 £	Cost Per Property 2014/15 £	Cost per week (48 wks) 2014/15 £
Alder Court and Heather Atherstone	82.92	1.73	85.27	1.78
Alexandra Court, Atherstone	82.92	1.73	85.27	1.78
St Benedicts Close, Atherstone	82.92	1.73	85.27	1.78
Welcome Street, Atherstone	82.92	1.73	85.27	1.78
Arden Forest Estate, Ridge Lane	82.92	1.73	85.27	1.78
Church Road/Long Street,Dordon	82.92	1.73	85.27	1.78
Chancery Court, Chapel End	82.92	1.73	85.27	1.78
Gramer Court, Mancetter	82.92	1.73	85.27	1.78
Monument View/Sycamore Ave Polesworth	82.92	1.73	85.27	1.78
Abbey Green Court, Polesworth	82.92	1.73	85.27	1.78
Jubilee Court, Kingsbury	82.92	1.73	85.27	1.78
Drayton Court, Hartshill	82.92	1.73	85.27	1.78
Eastlang Road, Fillongley	82.92	1.73	85.27	1.78
Hudson/Wall Avenue, Coleshill	82.92	1.73	85.27	1.78
Digby Road & Clinton Road, Coleshill	82.92	1.73	85.27	1.78
George Road, Water Orton	82.92	1.73	85.27	1.78
Church Hill Coleshill	82.92	1.73	85.27	1.78
Owen Square Atherstone	82.92	1.73	85.27	1.78

**Proposed Window Cleaning Charges per
Fortnight from April 2014**

Appendix F

Name of Scheme	Cost Per Property 2013/14 £	Cost per Fortnight (24) 2013/14 £	Cost Per Property 2014/15 £	Cost per Fortnight (24) 2014/15 £
Alder Court and Heather Atherstone	8.89	0.37	0.00	0.00
Alexandra Court, Atherstone	17.92	0.75	0.00	0.00
Coleshill Road Atherstone	50.82	2.12	0.00	0.00
Lister Road Atherstone	22.67	0.94	0.00	0.00
Long Street Atherstone	21.56	0.90	0.00	0.00
St Benedicts Close, Atherstone	33.88	1.41	0.00	0.00
Welcome Street, Atherstone	22.59	0.94	0.00	0.00
Arden Forest Estate, Ridge Lane	20.79	0.87	0.00	0.00
Church Road, Dordon	29.62	1.23	0.00	0.00
Long Street, Dordon	31.42	1.31	0.00	0.00
St Leonards Close, Dordon	23.51	0.98	0.00	0.00
Chancery Court, Chapel End	26.29	1.10	0.00	0.00
Gramer Court, Mancetter	31.48	1.31	0.00	0.00
Monument View/Sycamore Ave Polesworth	25.27	1.05	0.00	0.00
Abbey Green Court, Polesworth	32.23	1.34	0.00	0.00
Jubilee Court, Kingsbury	26.23	1.09	0.00	0.00
Oldbury View, Hartshill	35.57	1.48	0.00	0.00
Drayton Court, Hartshill	26.75	1.11	0.00	0.00
Eastlang Road, Fillongley	23.61	0.98	0.00	0.00
Hudson/Wall Avenue, Coleshill	15.40	0.64	0.00	0.00
Digby Road, Coleshill	23.87	0.99	0.00	0.00
Clinton Road, Coleshill	23.09	0.96	0.00	0.00
Delves Crescent, Wood End	44.46	1.85	0.00	0.00
George Road, Water Orton	10.52	0.44	0.00	0.00
Church Walk Mancetter	28.00	1.17	0.00	0.00
Church Hill Coleshill	17.98	0.75	0.00	0.00

HOUSING REVENUE ACCOUNT

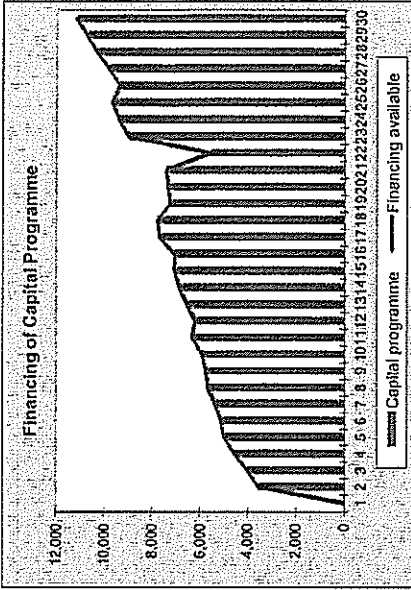
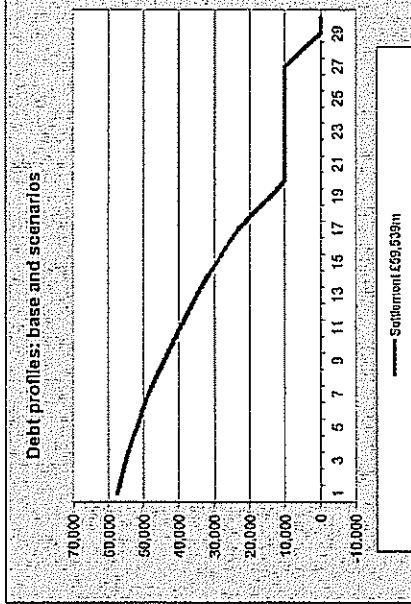
DESCRIPTION	ORIGINAL BUDGET 2014/15 £	ORIGINAL BUDGET 2015/16 £	ORIGINAL BUDGET 2016/17 £	ORIGINAL BUDGET 2017/18 £
EXPENDITURE				
Provision for Bad Debts	175,410	181,230	186,540	320,630
Repairs Fund				
Departmental Support Services	210,000	216,760	223,800	229,680
Central Support Services	135,530	139,260	142,480	145,990
Contribution to Fund	2,471,270	2,542,170	2,603,300	2,665,300
Contribution to Fund Asbestos Surveys	77,150	-	-	-
Management				
General Administration	523,750	533,630	543,030	556,740
Housing Register & Lettings	207,960	213,730	219,380	224,950
Tenancy & Estate Management	279,710	287,900	295,650	303,200
Rent Collection & Arrears	263,990	270,490	276,180	283,040
Tenant Participation	67,190	68,890	70,160	71,940
Flats & Communal Centres	372,650	385,140	397,710	409,770
Supporting People Service	28,310	30,000	69,680	71,450
Laundries	5,760	6,010	6,010	6,260
Cesspools and Management of Shops	14,930	15,230	15,490	15,870
Capital Charges	-	-	-	-
Interest on Loans (as per Business Plan)	1,633,270	1,623,860	1,610,930	1,593,150
Revenue set aside (as per Business Plan)	1,250,000	1,300,000	1,450,000	1,600,000
Allowable Debt from Receipts	(200,510)	(192,720)	(190,840)	(188,950)
Capital Spend (as per Business Plan)	2,919,950	3,388,580	3,790,600	3,875,580
Capital Spend - New Build ***	1,026,760	-	-	-
Contribution to New Build Reserve ***	54,840	1,124,860	1,169,850	1,216,640
Gross Expenditure	11,517,920	12,135,020	12,879,950	13,401,240
INCOME				
Service Charges - Leaseholders	36,320	36,320	36,320	36,320
Service Charges - Window Cleaning	-	25,630	26,270	26,930
Service Charges - Cleaning & Caretaking	41,270	42,510	43,790	45,100
Garage Rents	255,730	255,730	282,030	282,030
Shop Rents	85,410	81,400	76,650	76,650
Interest on Sale of Council Houses	20	-	-	-
Interest on Balances	39,870	54,680	86,410	123,120
Gross Rents (less voids)	11,693,780	12,082,320	12,435,910	12,825,360
New property Rent	-	-	-	-
Gross Income	12,152,400	12,578,590	12,987,380	13,415,510
(Surplus)/Deficit for Year	(634,480)	(443,570)	(107,430)	(14,270)
Revenue Fund balance at start of year	(1,246,265)	(1,880,745)	(2,324,315)	(2,431,745)
Revenue Fund balance at end of year	(1,880,745)	(2,324,315)	(2,431,745)	(2,446,015)
Average no. of properties (other)	43	43	43	43
Average no. of properties (other)	2,663	2,657	2,642	2,627

SELF FINANCING HRA BUSINESS PLAN February 2014

NORTH WARWICKS
Date 21.1.14

Inflation sensitivities	
2.50% CPI/inflation from 2013	59,539
2.50% GDP/expenditure inflation from 2013	59,530
0.00% Additional real Mgt cost inflation	0
to year	59,789
1.00% Additional real Maint cost inflation	1
to year	53,419
1.00% Additional real Cap cost inflation	30
to year	30
Capital / debt sensitivities	
0% MRP annual %age	
Additional self-fund from revenue	
YEAR OF SELF FINANCING	
2012/13	Scenario schedules
(1) Scenario: opening debt	
4 Review report - with uplift	
59,539. Opening debt	
(2) RTB receipts to the HRA	
Pooling (as per current system)	
RTB receipts included in Plan Set at Zero as	
0.0% Receipts used for General Fund purposes	
(3) Future surplus sharing	
Local 100% reinvested locally	
100% %age surplus retained locally	
0% %age surplus paid over nationally	
(4) Borrowing controls	
5 Self financed borrowing locally	

Key outputs	£'000s
Debt adjustment	59,539
Opening debt	59,530
Closing debt	0
Peak debt	59,789
Year of peak debt	1
Closing HRA reserve	53,419



Capital programme outputs	£'000s
Capital programme 30 years	206,577
Total financing 30 years	206,577
Shortfall	0
Total reserve at year 30	53,419

2013/14 2014/15 2015/16 2016/17 2017/18

30 year total	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
SELF FINANCING																		
HRA (OPERATING ACCOUNT)																		
Rental income	0	-11,054	-11,623	-11,957	-12,306	-12,664	-13,029	-13,408	-13,796	-14,186	-14,607	-15,029	-15,462	-15,908	-16,366	-16,836	-17,320	-17,816
-12,913 Rental income new props @ target	0	-119	-213	-272	-281	-291	-301	-312	-323	-334	-346	-358	-370	-383	-397	-411	-425	-440
5,489 Volts	0	132	142	147	151	153	153	133	137	141	150	154	158	163	168	172	177	183
-18,245 Other income	0	-410	-419	-442	-465	-467	-493	-494	-518	-519	-544	-545	-569	-571	-595	-596	-621	-622
-552,489 Gross income	0	-11,461	-12,113	-12,524	-12,901	-13,292	-13,690	-14,077	-14,496	-14,904	-15,347	-15,778	-16,243	-16,699	-17,190	-17,671	-18,189	-18,695
77,201 Management (incl DME)	0	1,751	1,764	1,811	1,893	1,943	1,992	2,042	2,093	2,145	2,199	2,254	2,310	2,368	2,427	2,487	2,550	2,613
126,447 Maintenance	0	2,958	2,894	2,898	2,970	3,041	3,128	3,218	3,310	3,404	3,502	3,602	3,704	3,810	3,918	4,029	4,144	4,261
12,819 Bad debt provision	0	100	175	181	187	321	330	340	349	360	370	381	392	403	415	427	439	452
216,467 Operating expenditure	0	4,809	4,833	4,850	5,050	5,305	5,450	5,600	5,752	5,909	6,071	6,237	6,406	6,581	6,760	6,943	7,133	7,326
-336,022 Net Cost of Services	0	-6,652	-7,280	-7,634	-7,851	-7,987	-8,240	-8,477	-8,744	-8,995	-9,276	-9,541	-9,837	-10,118	-10,430	-10,728	-11,056	-11,369
28,388 Interest payments	0	1,669	1,633	1,624	1,611	1,593	1,569	1,539	1,504	1,460	1,406	1,348	1,284	1,218	1,146	1,068	972	881
0 PwLB Settlement fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-16,020 Interest received	0	-29	-40	-54	-67	-123	-142	-100	-178	-196	-214	-236	-260	-286	-313	-341	-370	-399
-323,654 Net operating expenditure	0	-5,912	-5,687	-6,064	-6,327	-6,517	-6,873	-7,098	-7,418	-7,731	-8,084	-8,429	-8,813	-9,186	-9,597	-10,001	-10,454	-10,887
58,769 Revenue set aside (debt repayment)	0	1,250	1,250	1,300	1,450	1,600	1,700	1,750	2,000	2,250	2,260	2,350	2,350	2,450	2,600	3,100	2,900	3,250
-5,162 Allowable debt from receipts	0	-473	-201	-193	-191	-189	-187	-185	-183	-181	-179	-177	-175	-173	-171	-169	-167	-165
217,174 Direct revenue financing (RCCO fund cap Prog)	0	3,555	4,002	4,514	4,961	5,093	5,344	5,644	5,730	5,874	6,286	6,174	6,526	6,824	7,037	7,004	7,648	7,751
0 Use of surplus in year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-52,853 in year (surplus/deficit	0	-680	-636	-443	-107	-13	44	111	129	212	283	-82	-112	-85	-131	-66	-73	-51
HRA reserve b/wrd (-ve = Surplus)	0	-566	-1,246	-1,882	-2,326	-2,433	-2,446	-2,402	-2,291	-2,162	-1,950	-1,567	-1,748	-1,860	-1,945	-2,076	-2,142	-2,215
HRA reserve c/wrd (-ve = Surplus)	0	-1,246	-1,882	-2,326	-2,433	-2,446	-2,402	-2,291	-2,162	-1,950	-1,567	-1,748	-1,860	-1,945	-2,076	-2,142	-2,215	-2,267
CAPITAL PROGRAMME																		
158,846 Expenditure (Cap spend with inflation)	0	2,515	2,920	3,389	3,791	3,876	4,079	4,328	4,351	4,451	4,806	4,835	4,925	5,159	5,305	5,203	5,775	5,803
58,328 New Build (with inflation)	0	1,040	1,082	1,125	1,170	1,217	1,265	1,316	1,359	1,423	1,480	1,539	1,601	1,665	1,732	1,801	1,873	1,948
0 Financed by...	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0 RTB receipts and other resources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
217,174 Direct revenue financing	0	3,555	4,002	4,514	4,961	5,093	5,344	5,644	5,730	5,874	6,286	6,174	6,526	6,824	7,037	7,004	7,648	7,751
0 Borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
217,174 Total financing	0	3,555	4,002	4,514	4,961	5,093	5,344	5,644	5,730	5,874	6,286	6,174	6,526	6,824	7,037	7,004	7,648	7,751

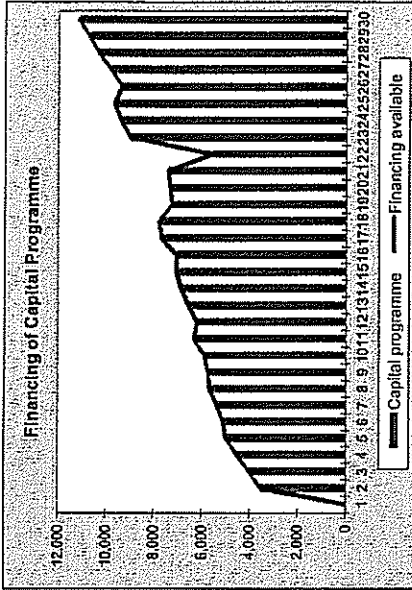
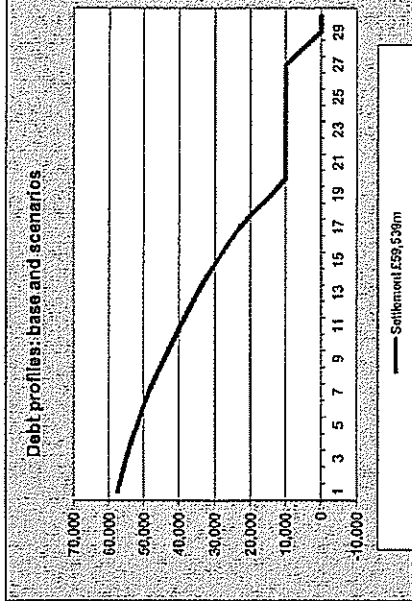
APPENDIX C1

Inflation sensitivities
GPI/rent Inflation from 2013
GDP/expenditure Inflation from 2013
Additional real Mgt cost Inflation
10
Additional real Maint cost Inflation
30
Additional real Cap cost Inflation
30
Capital / debt sensitivities
MRP annual %age
Additional set aside from revenue
YEAR OF SELF FINANCING
Scenario schedules
Opening debt
Review report - with uplift
Opening debt
Uplifts to the HRA
Pooling (as per current system)
RTB receipts included in Plan Set at Zero as
Receipts used for General Fund purposes
Surplus sharing
Local 100% retain surpluses
%age surpluses retained locally
%age surpluses paid over nationally
ing controls
Self financed borrowing locally

	18	19	20	21	22	23	24	25	26	27	28	29	30
SELF FINANCING													
HRA (OPERATING ACCOUNT)													
Rental Income	-18,326	-18,850	-19,388	-19,941	-20,508	-21,091	-21,690	-22,305	-22,936	-23,584	-24,249	-24,932	-25,633
Rental Income new props @ target	-455	-471	-488	-505	-522	-541	-560	-579	-600	-621	-642	-665	-688
Voids	188	193	199	204	210	216	222	229	235	242	249	256	263
Other Income	-647	-648	-673	-674	-699	-700	-725	-726	-751	-752	-777	-779	-804
Gross Income	-19,240	-19,776	-20,350	-20,916	-21,519	-22,116	-22,753	-23,381	-24,052	-24,715	-25,419	-26,120	-26,862
Management (incl DME)	2,679	2,746	2,814	2,885	2,957	3,031	3,107	3,184	3,264	3,345	3,429	3,515	3,603
Maintenance	4,382	4,506	4,633	4,764	4,898	5,036	5,178	5,323	5,472	5,626	5,783	5,943	6,110
Bad debt provision	465	478	492	506	521	535	551	566	583	599	616	634	651
Operating expenditure	7,526	7,730	7,939	8,155	8,376	8,602	8,836	9,073	9,319	9,570	9,828	10,094	10,364
Net Cost of Services	-11,714	-12,046	-12,411	-12,761	-13,143	-13,514	-13,917	-14,300	-14,733	-15,145	-15,591	-16,026	-16,498
Interest payments	776	636	490	350	350	350	350	350	350	350	348	173	0
PwLB Settlement fee	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest received	-429	-460	-501	-601	-728	-835	-946	-1,066	-1,195	-1,326	-1,422	-1,485	-1,598
Net operating expenditure	-11,367	-11,870	-12,432	-13,012	-13,521	-13,999	-14,513	-15,024	-15,578	-16,121	-16,665	-17,338	-18,096
Revenue set aside (debt repayment)	4,280	4,760	3,949	0	0	0	0	0	0	0	5,000	5,000	0
Allowable debt from receipts	-163	-160	-158	-156	-154	-152	-149	-147	-145	-142	-140	-137	0
Direct revenue financing (RCCO fund cap Prog)	7,226	7,297	7,380	5,544	8,953	9,339	9,635	9,321	9,789	10,291	10,704	11,132	10,597
Use of surplus in year	0	0	0	0	0	0	0	0	0	0	0	0	0
In year (surplus)/deficit	-24	17	-1,261	-7,624	-4,722	-4,812	-5,027	-5,850	-5,834	-5,972	-1,101	-1,343	-7,499
HRA reserve b/fwd (-ve = Surplus)	-2,267	-2,291	-2,274	-3,535	-11,159	-15,881	-20,693	-25,720	-31,570	-37,504	-43,475	-44,577	-45,920
HRA reserve c/fwd (-ve = Surplus)	-2,291	-2,274	-3,535	-11,159	-15,881	-20,693	-25,720	-31,570	-37,504	-43,475	-44,577	-45,920	-53,419
CAPITAL PROGRAMME													
Expenditure (Cap spend with Inflation)	5,200	5,190	5,189	3,265	6,583	6,874	7,072	6,655	7,017	7,408	7,705	8,013	7,354
New Build (with Inflation)	2,026	2,107	2,191	2,279	2,370	2,465	2,563	2,666	2,772	2,883	2,999	3,119	3,243
Financed by...													
RTB receipts and other resources	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct revenue financing	7,226	7,297	7,380	5,544	8,953	9,339	9,635	9,321	9,789	10,291	10,704	11,132	10,597
Borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0
Total financing	7,226	7,297	7,380	5,544	8,953	9,339	9,635	9,321	9,789	10,291	10,704	11,132	10,597

Inflation sensitivities	
2.50%	GPI/net inflation from 2013
2.50%	GDP expenditure inflation from 2013
0.00%	Additional real Mgt cost inflation to year 10
1.00%	Additional real Maint cost inflation to year 30
1.00%	Additional real Cap cost inflation to year 30
Capital / debt sensitivities	
0%	MRP annual %age
0%	Additional set aside from revenue
Scenario schedules	
(1) Scenario: opening debt 4	Review report - with uplift 59,539 Opening debt
(2) RTB receipts to the HRA	Pooling (as per current system) RTB receipts included in Plan Set at Zero as
(3) Future surplus sharing	Local 100% retain surpluses 100% %age surpluses retained locally 0% %age surpluses paid over nationally
(4) Borrowing controls	Self financed borrowing locally

Key outputs	
Debt adjustment	59,539
Operating debt	59,539
Closing debt	0
Peak debt	59,789
Year of peak debt	1
Closing HRA reserve	-46,639



Capital programme outputs	
Capital programme 30 years	206,577
Total financing 30 years	206,577
Shortfall	0
Total reserve at year 30	48,639

2013/14 2014/15 2015/16 2016/17 2017/18

30 year total	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
SELF FINANCING																	
HRA (OPERATING ACCOUNT)																	
-526,820 Rental income	0	-11,064	-11,623	-11,937	-12,306	-12,664	-13,029	-13,408	-13,796	-14,196	-14,607	-15,029	-15,462	-15,908	-16,366	-16,836	-17,320
-12,913 Rental income new props @ target	0	-119	-213	-272	-281	-291	-301	-312	-323	-334	-346	-358	-370	-383	-397	-411	-425
5,488 Voids	0	132	142	147	151	153	153	153	153	153	153	153	153	153	153	153	153
-18,245 Other income	0	-410	-419	-442	-465	-487	-509	-531	-554	-577	-600	-623	-646	-669	-692	-715	-738
-552,489 Gross income	0	-11,461	-12,113	-12,524	-12,901	-13,292	-13,693	-14,107	-14,534	-14,974	-15,427	-15,893	-16,371	-16,861	-17,363	-17,877	-18,393
77,201 Management (incl DME)	0	1,751	1,764	1,811	1,893	1,943	1,992	2,042	2,093	2,145	2,199	2,254	2,310	2,368	2,427	2,487	2,550
126,447 Maintenance	0	2,958	2,894	2,898	2,970	3,041	3,128	3,210	3,310	3,404	3,502	3,602	3,704	3,810	3,918	4,029	4,144
6,001 Growth	0	0	248	210	131	131	136	140	145	150	156	161	167	173	179	185	191
12,819 Bad debt provision	0	100	175	181	187	321	330	340	349	360	370	381	392	403	415	427	439
222,468 Operating expenditure	0	4,809	5,081	5,100	5,181	5,436	5,586	5,740	5,897	6,059	6,227	6,398	6,573	6,754	6,939	7,128	7,324
-330,021 Net Cost of Services	0	-6,652	-7,032	-7,424	-7,720	-8,056	-8,436	-8,845	-9,284	-9,754	-10,254	-10,784	-11,344	-11,934	-12,554	-13,204	-13,884
28,388 Interest payments	0	1,669	1,633	1,624	1,611	1,593	1,569	1,539	1,504	1,460	1,406	1,348	1,284	1,218	1,146	1,068	972
0 PwLB Settlement fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-15,622 Interest received	0	-29	-40	-54	-67	-82	-97	-112	-128	-146	-166	-187	-209	-232	-257	-283	-309
-317,255 Net operating expenditure	0	-5,012	-5,439	-5,854	-6,196	-6,386	-6,677	-6,988	-7,273	-7,581	-7,925	-8,261	-8,636	-9,004	-9,407	-9,803	-10,247
58,769 Revenue set aside (debt repayment)	0	1,250	1,250	1,300	1,400	1,600	1,700	1,750	1,800	1,850	1,900	1,950	2,000	2,050	2,100	2,150	2,200
-5,161 Allowable debt from receipts	0	-473	-200	-193	-191	-189	-187	-185	-183	-181	-179	-177	-175	-173	-171	-169	-167
215,554 Direct revenue financing (RCCO fund cap Prog)	0	3,555	4,003	4,514	4,960	5,092	5,344	5,644	5,730	5,874	5,977	6,073	6,148	6,248	6,353	6,457	6,561
0 Use of surplus in year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-48,073 In year (surplus)/deficit	0	-680	-386	-233	23	117	180	251	274	363	33	-15	-15	-15	-25	-15	-16
HRA reserve b/fwd (-ve = Surplus)	0	-556	-1,246	-1,632	-1,865	-1,842	-1,725	-1,545	-1,293	-1,020	-657	-824	-639	-654	-689	-695	-710
HRA reserve c/fwd (-ve = Surplus)	0	-1,246	-1,632	-1,865	-1,842	-1,725	-1,545	-1,293	-1,020	-657	-824	-639	-654	-689	-695	-710	-726
CAPITAL PROGRAMME																	
158,846 Expenditure (Cap spend with inflation)	0	2,515	2,920	3,389	3,791	3,876	4,079	4,328	4,361	4,451	4,806	4,635	4,925	5,159	5,305	5,203	5,775
58,328 New Build (with inflation)	0	1,040	1,062	1,125	1,170	1,217	1,265	1,316	1,369	1,423	1,480	1,539	1,601	1,665	1,732	1,801	1,873
0 Financed by...	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,621 RTB receipts and other resources	0	0	0	0	0	0	0	0	0	0	409	101	78	112	84	147	150
215,653 Direct revenue financing	0	3,555	4,002	4,514	4,961	5,093	5,344	5,644	5,730	5,874	5,977	6,073	6,148	6,248	6,353	6,457	6,561
0 Borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
217,174 Total financing	0	3,555	4,002	4,514	4,961	5,093	5,344	5,644	5,730	5,874	6,286	6,174	6,526	6,824	7,037	7,004	7,648

Inflation sensitivities
GPI/rent inflation from 2013
GDP expenditure inflation from 2013
Additional real Mgt cost inflation
10
30
50
Additional real Maint cost inflation
Additional real Cap cost inflation
30
Capital / debt sensitivities
MRP annual %age
Additional set aside from revenue
YEAR OF SELF FINANCING
Scenario schedules
Opening debt
Review report - with uplift
Opening debt
Inputs to the HRA
Pooling (as per current system)
RTB receipts included in Plan Set at Zero as
Receipts used for General Fund purposes
Profit sharing
Local 100% retain surpluses
%age surpluses retained locally
%age surpluses paid over nationally
ing controls
Self-financed borrowing locally

	17	18	19	20	21	22	23	24	25	26	27	28	29	30
SELF FINANCING														
HRA (OPERATING ACCOUNT)														
Rental income	-17,816	-18,326	-18,850	-19,388	-19,941	-20,508	-21,091	-21,690	-22,305	-22,936	-23,584	-24,249	-24,932	-25,633
Rental Income new props @ target	-440	-455	-471	-488	-505	-522	-541	-560	-579	-600	-621	-642	-665	-688
Voids	183	188	193	199	204	210	216	222	228	235	242	249	256	263
Other income	-622	-647	-673	-698	-724	-751	-779	-804	-831	-858	-886	-914	-942	-970
Gross Income	-18,695	-19,240	-19,776	-20,350	-20,915	-21,519	-22,116	-22,753	-23,381	-24,052	-24,715	-25,419	-26,120	-26,862
Management (incl DME)	2,613	2,679	2,746	2,814	2,885	2,957	3,031	3,107	3,184	3,264	3,345	3,429	3,515	3,603
Maintenance	4,261	4,382	4,506	4,633	4,764	4,898	5,036	5,178	5,323	5,472	5,626	5,783	5,945	6,110
Growth	198	205	212	219	227	235	243	252	261	270	279	289	299	310
Bad debt provision	452	465	478	492	509	521	535	551	566	583	599	616	634	651
Operating expenditure	7,524	7,731	7,942	8,158	8,382	8,611	8,845	9,088	9,334	9,589	9,849	10,117	10,393	10,674
Net Cost of Services	-11,171	-11,509	-11,834	-12,192	-12,534	-12,908	-13,271	-13,665	-14,047	-14,463	-14,866	-15,302	-15,727	-16,188
Interest payments	681	776	636	480	350	350	350	350	350	350	350	348	173	0
PWLB Settlement fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest received	-381	-408	-436	-477	-576	-703	-811	-922	-1,042	-1,170	-1,301	-1,398	-1,461	-1,574
Net operating expenditure	-10,671	-11,141	-11,534	-12,189	-12,760	-13,261	-13,732	-14,237	-14,739	-15,283	-15,817	-16,352	-17,015	-17,762
Revenue set aside (debt repayment)	3,250	4,280	4,750	3,949	0	0	0	0	0	0	0	5,000	5,000	0
Allowable debt from receipts	-165	-163	-160	-158	-156	-154	-152	-149	-147	-145	-142	-140	-137	0
Direct revenue financing (RCCO fund cap Prog)	7,560	7,009	7,165	7,380	5,544	4,953	9,339	9,635	9,321	9,789	10,291	10,704	11,132	10,597
Use of surplus in year	0	0	0	0	0	0	0	0	0	0	0	0	0	0
In year (surplus)/deficit	-26	-15	121	-1,017	-7,372	-4,462	-4,545	-4,751	-5,566	-5,639	-5,667	-788	-1,020	-7,165
HRA reserve b/fwd (-ve = Surplus)	-726	-752	-768	-647	-1,664	-9,036	-13,498	-18,043	-22,794	-28,359	-33,998	-39,666	-40,454	-41,474
HRA reserve c/fwd (-ve = Surplus)	-752	-768	-647	-1,664	-9,036	-13,498	-18,043	-22,794	-28,359	-33,998	-39,666	-40,454	-41,474	-48,639
CAPITAL PROGRAMME														
Expenditure (Cap spend with Inflation)	5,803	5,200	5,190	5,189	3,265	6,583	6,874	7,072	6,555	7,017	7,408	7,705	8,013	7,354
New Build (with Inflation)	1,948	2,026	2,107	2,191	2,278	2,370	2,465	2,563	2,666	2,772	2,883	2,999	3,119	3,243
Financed by...														
RTB receipts and other resources	191	217	132	0	0	0	0	0	0	0	0	0	0	0
Direct revenue financing	7,560	7,009	7,165	7,380	5,544	8,953	9,339	9,635	9,321	9,789	10,291	10,704	11,132	10,597
Borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total financing	7,751	7,226	7,297	7,380	5,544	8,953	9,339	9,635	9,321	9,789	10,291	10,704	11,132	10,597

Risk Analysis

	Likelihood	Potential impact on Budget
Change in interest rates	Low	Medium
Reduction in rent levels	Low	High
Increase in capital expenditure	Low	Medium
An increase in the demand for repairs	Medium	Medium
Reduction in Housing Direct Works performance	Medium	Medium
Asbestos removal	Medium	Medium