

## HRA BASE BUDGET &amp; FINANCIAL PROJECTION (as at February 2014)

All figures in £'s	Approved 2013/14	Revised 2013/14	Proposed 2014/15	Projection 2015/16	Projection 2016/17	Projection 2017/18	Projection 2018/19	Projection 2019/20	Projection 2020/21	Projection 2021/22	Projection 2022/23	Projection 2023/24
Rent From Dwellings	-11,874,330	-11,682,234	-12,285,102	-12,719,119	-13,096,610	-13,522,249	-13,961,722	-14,652,445	-14,843,203	-15,325,608	-15,823,690	-16,337,960
Garage and Shop Rents	-130,000	-130,000	-97,499	-100,668	-103,939	-107,317	-110,805	-114,406	-118,125	-121,964	-125,928	-130,020
Insurances Recharged	-20,000	-20,000	-20,000	-20,500	-21,013	-21,538	-22,076	-22,628	-23,194	-23,774	-24,368	-24,977
Other Fees & Charges	-180,750	-180,750	-187,110	-187,110	-187,110	-187,110	-187,110	-187,110	-187,110	-187,110	-187,110	-187,110
Rechargeable Repairs	-20,000	-20,000	0	0	0	0	0	0	0	0	0	0
Interest received from General Fund	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000
Supporting People Contributions	-350,000	-350,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000
<b>TOTAL INCOME</b>	<b>-12,595,080</b>	<b>-12,402,984</b>	<b>-12,909,711</b>	<b>-13,347,397</b>	<b>-13,728,672</b>	<b>-14,158,214</b>	<b>-14,601,713</b>	<b>-15,296,589</b>	<b>-15,491,632</b>	<b>-15,978,456</b>	<b>-16,481,096</b>	<b>-17,000,067</b>
Housing Repairs	3,235,959	3,235,959	3,216,858	3,297,280	3,379,712	3,464,205	3,550,810	3,639,580	3,730,569	3,823,834	3,919,430	4,017,415
General Management	1,289,719	1,289,719	1,242,186	1,273,240	1,305,071	1,337,698	1,371,141	1,405,419	1,440,555	1,476,568	1,513,483	1,551,320
Managing Tenancies	15,360	15,360	14,910	15,283	15,665	16,056	16,458	16,869	17,291	17,723	18,166	18,621
Rent Collection & Accounting	29,280	29,280	20,280	20,787	21,307	21,839	22,385	22,945	23,519	24,107	24,709	25,327
Supported Housing	888,726	888,726	832,240	853,046	874,372	896,231	918,637	941,603	965,143	989,271	1,014,003	1,039,353
Provision for Bad Debts	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital Charges (Historical Debt)	51,872	51,872	51,750	51,629	51,508	51,386	51,265	51,143	51,022	50,901	50,779	50,658
Depreciation	2,851,007	2,851,007	2,805,432	2,805,432	2,805,432	2,805,432	2,805,432	2,805,432	2,805,432	2,805,432	2,805,432	2,805,432
Interest on Self Financing Debt	1,574,805	1,574,805	1,574,805	1,684,805	1,804,805	1,904,805	2,004,805	2,024,805	2,024,805	2,024,805	1,504,805	1,504,805
Treasury Management Fees	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Capital Expenditure Requirement	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	3,452,362	3,452,362	3,452,362	3,452,362	2,996,741	2,996,741	2,996,741
Capital Salaries	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Incremental Salary Increases	0	0	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Provision for Pay and Grading / Pensions	22,950	37,950	18,380	18,564	18,935	19,409	19,894	20,391	20,901	21,424	21,959	22,508
Contribution to New Build	0	0	286,800	286,800	286,800	286,800	286,800	0	0	0	0	0
<b>TOTAL EXPENDITURE</b>	<b>15,537,678</b>	<b>15,552,678</b>	<b>15,641,641</b>	<b>15,888,866</b>	<b>16,145,607</b>	<b>14,338,223</b>	<b>14,581,989</b>	<b>14,462,549</b>	<b>14,613,599</b>	<b>14,312,806</b>	<b>13,951,507</b>	<b>14,114,180</b>
HRA NET EXPENDITURE	2,942,598	3,149,694	2,731,930	2,541,469	2,416,935	180,009	-19,724	-834,040	-878,033	-1,665,650	-2,529,589	-2,885,887
Less Depreciation	-2,851,007	-2,851,007	-2,805,432	-2,805,432	-2,805,432	-2,805,432	-2,805,432	-2,805,432	-2,805,432	-2,805,432	-2,805,432	-2,805,432
<b>HRA (Surplus)/Deficit</b>	<b>91,591</b>	<b>298,687</b>	<b>-73,502</b>	<b>-263,963</b>	<b>-388,497</b>	<b>-2,625,423</b>	<b>-2,825,156</b>	<b>-3,639,472</b>	<b>-3,683,465</b>	<b>-4,471,082</b>	<b>-5,335,021</b>	<b>-5,691,319</b>
<b>Appropriation</b>												
Set aside for Debt Repayment	0	0	0	0	0	2,625,423	2,825,156	3,639,472	3,683,465	4,471,082	5,335,021	5,691,319
Transfer to General Reserve	91,591	298,687	-73,502	-263,963	-388,497	0	0	0	0	0	0	0
<b>HRA GENERAL RESERVE</b>												
Balance b/f	-2,686,082	-2,686,082	-2,387,395	-2,460,897	-2,724,860	-3,113,357	-3,113,357	-3,113,357	-3,113,357	-3,113,357	-3,113,357	-3,113,357
Transfer out/(in)	91,591	298,687	-73,502	-263,963	-388,497	0	0	0	0	0	0	0
<b>Balance c/f</b>	<b>-2,594,491</b>	<b>-2,387,395</b>	<b>-2,460,897</b>	<b>-2,724,860</b>	<b>-3,113,357</b>	<b>-3,113,357</b>	<b>-3,113,357</b>	<b>-3,113,357</b>	<b>-3,113,357</b>	<b>-3,113,357</b>	<b>-3,113,357</b>	<b>-3,113,357</b>
<b>DEBT REPAYMENT PROVISION</b>												
Balance b/f	0	0	0	0	0	0	2,625,423	5,450,579	9,090,051	12,773,516	7,244,598	12,579,619
Debt repayment set aside	0	0	0	0	0	0	2,625,423	2,825,156	3,639,472	3,683,465	4,471,082	5,691,319
Debt repayment	0	0	0	0	0	0	0	0	0	-10,000,000	0	-10,000,000
<b>Balance c/f</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,625,423</b>	<b>5,450,579</b>	<b>9,090,051</b>	<b>12,773,516</b>	<b>7,244,598</b>	<b>8,270,938</b>

## Analysis of Change in Base Budget 2014/15 and that Projected

All figures in £'s	Projection	Budget	Change
Rent From Dwellings	-12,091,647	-12,285,102	-193,455
Garage and Shop Rents	-136,099	-97,499	38,600
Insurances Recharged	-20,500	-20,000	500
Other Fees & Charges	-180,750	-187,110	-6,360
Rechargeable Repairs	-20,500	0	20,500
Interest received from General Fund	-20,000	-20,000	0
Supporting People Contributions	-350,000	-300,000	50,000
<b>TOTAL INCOME</b>	<b>-12,819,496</b>	<b>-12,909,711</b>	<b>-90,215</b>

Housing Repairs	3,316,858	3,216,858	-100,000
General Management	1,349,575	1,242,186	-107,389
Managing Tenancies	15,744	14,910	-834
Rent Collection & Accounting	30,012	20,280	-9,732
Supported Housing	910,944	832,240	-78,704
Provision for Bad Debts	20,000	20,000	0
Capital Charges (Historical Debt)	51,751	51,750	-1
Depreciation	2,851,007	2,805,432	-45,575
Interest on Self Financing Debt	1,574,805	1,574,805	0
Treasury Management Fees	8,000	8,000	0
Capital Expenditure Requirement	5,500,000	5,500,000	0
Capital Salaries	50,000	50,000	0
Incremental Salary Increases	0	0	0
Provision for Pay and Grading / Pensions	23,524	18,380	-5,144
Contribution to New Build	286,800	286,800	0
<b>TOTAL EXPENDITURE</b>	<b>15,989,020</b>	<b>15,641,641</b>	<b>-347,379</b>

HRA NET EXPENDITURE	3,169,524	2,731,930	-437,594
Less Depreciation	-2,851,007	-2,805,432	45,575
<b>HRA (Surplus)/Deficit</b>	<b>318,517</b>	<b>-73,502</b>	<b>-392,019</b>

## Analysis of Change in 10-year Projection to 2023/24

All figures in £'s	Projection	Budget	Change
Rent From Dwellings	-151,259,154	-154,249,942	-2,990,788
Garage and Shop Rents	-1,676,305	-1,260,671	415,634
Insurances Recharged	-249,670	-244,068	5,602
Other Fees & Charges	-1,988,250	-2,051,850	-63,600
Rechargeable Repairs	-249,670	-20,000	229,670
Interest received from General Fund	-220,000	-220,000	0
Supporting People Contributions	-3,850,000	-3,350,000	500,000
<b>TOTAL INCOME</b>	<b>-159,493,049</b>	<b>-161,396,531</b>	<b>-1,903,482</b>

Housing Repairs	40,395,988	39,275,652	-1,120,336
General Management	16,436,462	15,206,400	-1,230,062
Managing Tenancies	191,747	182,402	-9,345
Rent Collection & Accounting	365,517	256,485	-109,032
Supported Housing	11,094,375	10,212,625	-881,750

## APPENDIX 4

## HRA BASE BUDGET &amp; FINANCIAL PROJECTION (as at October 2013)

	Budget 2013/14	Projection 2014/15	Projection 2015/16	Projection 2016/17	Projection 2017/18	Projection 2018/19	Projection 2019/20	Projection 2020/21	Projection 2021/22	Projection 2022/23	Projection 2023/24
	£	£	£	£	£	£	£	£	£	£	£
<b>Income</b>											
Rent From Dwellings	-11,874,330	-12,091,647	-12,463,886	-12,847,550	-13,242,987	-13,650,557	-14,341,220	-14,503,592	-14,949,833	-15,409,760	-15,883,792
Garage and Shop Rents	-130,000	-136,099	-141,707	-146,063	-149,691	-153,233	-156,688	-160,217	-163,822	-167,508	-171,277
Insurances Recharged	-20,000	-20,500	-21,013	-21,538	-22,076	-22,628	-23,194	-23,774	-24,368	-24,977	-25,602
Other Fees & Charges	-180,750	-180,750	-180,750	-180,750	-180,750	-180,750	-180,750	-180,750	-180,750	-180,750	-180,750
Rechargeable Repairs	-20,000	-20,500	-21,013	-21,538	-22,076	-22,628	-23,194	-23,774	-24,368	-24,977	-25,602
Interest received from Gen Fund	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000	-20,000
Supporting People Contributions	-350,000	-350,000	-350,000	-350,000	-350,000	-350,000	-350,000	-350,000	-350,000	-350,000	-350,000
<b>TOTAL INCOME</b>	<b>-12,595,080</b>	<b>-12,819,495</b>	<b>-13,198,369</b>	<b>-13,587,439</b>	<b>-13,987,581</b>	<b>-14,399,796</b>	<b>-15,095,047</b>	<b>-15,262,106</b>	<b>-15,713,141</b>	<b>-16,177,972</b>	<b>-16,657,022</b>
<b>Expenditure</b>											
Housing Repairs	3,235,959	3,316,858	3,399,780	3,484,774	3,571,893	3,661,191	3,752,721	3,846,539	3,942,702	4,041,270	4,142,301
General Management	1,316,659	1,349,575	1,383,314	1,417,897	1,453,345	1,489,678	1,526,920	1,565,093	1,604,221	1,644,326	1,685,434
Managing Tenancies	15,360	15,744	16,138	16,541	16,955	17,378	17,813	18,258	18,715	19,183	19,662
Rent Collection & Accounting	29,280	30,012	30,762	31,531	32,320	33,128	33,956	34,805	35,675	36,567	37,481
Sheltered & Other Services	888,726	910,944	933,717	957,060	980,987	1,005,511	1,030,649	1,056,415	1,082,826	1,109,896	1,137,644
Provision for Bad Debts	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital Charges (old debt)	51,872	51,751	51,629	51,508	51,386	51,265	51,143	51,022	50,901	50,779	50,658
Depreciation - Dwellings	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007	2,851,007
Interest on Self-Financing Debt	1,574,805	1,574,805	1,684,805	1,804,805	1,904,805	2,004,805	2,024,805	2,024,805	2,024,805	1,504,805	1,504,805
Treasury Management Fees	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Capital Expenditure Requirement	5,500,000	5,500,000	5,500,000	5,500,000	3,452,362	3,452,362	3,452,362	3,452,362	2,996,741	2,996,741	2,996,741
Contribution to New Build	0	286,800	286,800	286,800	286,800	286,800	0	0	0	0	0
Capital Salaries	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Provision for Pay & Grading	22,950	23,524	24,112	24,715	25,333	25,966	26,615	27,280	27,962	28,661	29,378
<b>TOTAL EXPENDITURE</b>	<b>15,564,617</b>	<b>15,989,019</b>	<b>16,240,064</b>	<b>16,504,638</b>	<b>14,705,192</b>	<b>14,957,091</b>	<b>14,845,991</b>	<b>15,005,586</b>	<b>14,713,554</b>	<b>14,361,235</b>	<b>14,533,111</b>
<b>HRA NET EXPENDITURE</b>	<b>2,969,537</b>	<b>3,169,524</b>	<b>3,041,696</b>	<b>2,917,200</b>	<b>717,611</b>	<b>557,295</b>	<b>-249,056</b>	<b>-256,520</b>	<b>-999,587</b>	<b>-1,816,738</b>	<b>-2,123,911</b>
Less Depreciation	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007	-2,851,007
<b>HRA Surplus (-) / Deficit</b>	<b>118,530</b>	<b>318,517</b>	<b>190,689</b>	<b>66,193</b>	<b>-2,133,396</b>	<b>-2,293,712</b>	<b>-3,100,063</b>	<b>-3,107,527</b>	<b>-3,850,594</b>	<b>-4,667,745</b>	<b>-4,974,918</b>
<b>Appropriation</b>											
Set aside for Debt Repayment	0	0	0	0	2,405,479	2,430,475	2,804,801	2,673,699	3,264,399	3,915,131	4,058,098
Transfer to (-) / from General Reserve	118,530	318,517	190,689	66,193	272,083	136,763	-295,262	-433,828	-586,195	-752,614	-916,820
<b>HRA GENERAL RESERVE</b>											
Balance b/f	-2,686,082	-2,567,552	-2,249,035	-2,058,346	-1,992,154	-1,720,070	-1,583,307	-1,878,569	-2,312,396	-2,898,592	-3,651,205
Transfer (as above)	118,530	318,517	190,689	66,193	272,083	136,763	-295,262	-433,828	-586,195	-752,614	-916,820
<b>Balance c/f</b>	<b>-2,567,552</b>	<b>-2,249,035</b>	<b>-2,058,346</b>	<b>-1,992,154</b>	<b>-1,720,070</b>	<b>-1,583,307</b>	<b>-1,878,569</b>	<b>-2,312,396</b>	<b>-2,898,592</b>	<b>-3,651,205</b>	<b>-4,568,025</b>
<b>DEBT REPAYMENT PROVISION</b>											
Balance b/f	0	0	0	0	0	2,405,479	4,835,954	7,640,755	10,314,454	3,578,853	7,493,984

Increase in estimated Property Rents	-£2,990,788
Decrease in Other Income	£587,306
Decrease in Supporting People Contributions	£500,000
Decrease in estimated Housing Repairs	-£1,120,336
Decrease in estimated Management costs	-£1,348,439
Decrease in Supported Housing costs	-£881,750
Other Changes	-£10,182
	<b><u>-£5,264,189</u></b>

£'000

No inflation increase on the base budget in 2013/14	-60
IT System Development - one-off costs falling out	-28
Lower salary costs following senior management restructure	-27
Contributions/Management - Choice Based Letting Scheme	-23
Salary costs and budget savings (following 2012/13 out-turn review)	-21
Careline and Telecare Equipment - lower maintenance charges	-16
Additional income from court fees, lettings and tenancy management	-13
Relocation of Careline Service into Oaklands - lower rental charge	-12
	<b>-200</b>