

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – TUESDAY, 10 DECEMBER 2019



<b>Title of Report</b>	<b>DRAFT HOUSING REVENUE ACCOUNT (HRA) BUDGET FOR 2020/21</b>	
<b>Presented by</b>	Councillor Nicholas Rushton Corporate Portfolio Holder	
<b>Background Papers</b>	<a href="#"><u>Corporate Scrutiny Committee Draft Minutes – 7 November 2019</u></a>	<b>Public Report:</b> Yes
		<b>Key Decision:</b> Yes
<b>Financial Implications</b>	This report sets out the budget for the Housing Revenue Account in 2020/21, and plans to deliver a surplus of £2.5m over the course of the year.	
	<b>Signed off by the Section 151 Officer:</b> Yes	
<b>Legal Implications</b>	None	
	<b>Signed off by the Monitoring Officer:</b> Yes	
<b>Staffing and Corporate Implications</b>	None	
	<b>Signed off by the Head of Paid Service:</b> Yes	
<b>Purpose of Report</b>	To seek approval of the draft 2020/21 Housing Revenue Account (HRA) Budget proposals for consultation.	
<b>Reason for Decision</b>	To enable the Council to set a balanced Housing Revenue Account Budget for 2020/21.	
<b>Recommendations</b>	<p><b>THAT CABINET:</b></p> <p><b>A. NOTE THE ASSURANCE STATEMENT BY THE S151 OFFICER; AND</b></p> <p><b>B. APPROVE THE DRAFT HRA BUDGET PROPOSAL, INCLUDING THE 2.7% RENT INCREASE, AS DETAILED IN THIS REPORT AND ASSOCIATED APPENDICES FOR CONSULTATION</b></p>	

1.0 INTRODUCTION

- 1.1 This report seeks Cabinet approval to consult on the draft Housing Revenue Account (HRA) budget proposals for 2020/21, with the outcome of this consultation exercise being fed back into the subsequent reports to Cabinet and Council to seek approval for the final budget.
- 1.2 The formal consultation process adheres to the same consultation timetable as the General

Fund and will commence on 18 December 2019 and end on 4 February 2020 in readiness for Cabinet and Full Council approval of final proposals on 4 and 25 February 2020 respectively. In addition to the standard consultation with tenants, this year's consultation process has been enhanced and will now also include features of the draft budget being made publicly available via the Council's website for consultation.

## 2.0 2019/20 BUDGET POSITION

2.1 We budgeted for a surplus in 2019/20 of £1.4m. By the end of October 2019, we were forecasting a surplus of £1.7m, an increase in surplus of £296k over budget. The main causes of this surplus are:

- Reduced expenditure on a painting programme of £100k.
- Savings of £90k on utility costs, such as council tax, gas and electricity.
- Lower than anticipated responsive repair costs, saving £50k.
- Net staff savings of £84k.

2.2 As a result the balance on the Housing Revenue Account at 31 March 2020 is forecast to be £16.0m. This balance includes £13.0m for to repayment our loans that fall due in 2022, and a £1.0m working balance for the HRA. The remaining £2.0m are reserves available to use flexibly, following Cabinet's decision last year to stop automatically using surpluses for debt repayment. This could be used for additional capital improvement works, new housing stock, service improvements or the repayment of debt. We will initially place this in the debt repayment reserve and dip into it when we need to fund new projects.

## 3.0 2020/21 BUDGET OVERVIEW

3.1 The 2020/21 HRA budget is based upon the 2019/20 budget, with adjustments to reflect the known and anticipated changes for 2020/21. The proposed 2020/21 budget is set out in Appendix A, and budgets for a net surplus of £2.5m. Appendix B lists all changes to revenue budgets over £5k, which includes £201k of service developments or cost increases and £819k of savings or increases in income.

3.2 The HRA also provides funding for the Housing Capital Programme, which is covered in section 5 of the accompanying Capital Report. This happens in two ways: firstly through the transfer for depreciation to the major repairs reserve, which is used to fund our Home Improvement Programme; the second is a revenue contribution to capital outlay (RCCO), which can be used to fund any part of the capital programme. The major repairs allowance is stable at £3.1m, but the RCCO varies based on need. For 2020/21 we have budgeted for a £1.3m RCCO in order to fund the wider capital programme.

## 4.0 2020/21 INCOME BUDGETS

### Rents

4.1 The Ministry for Housing, Communities and Local Government (the Ministry) sets how much we can change our rents by each year. For the past four years we have been directed to cut rents by 1% per year, which has seen our rental income reduce by £500k between 2015/16 and 2019/20. For 2020-21, the Ministry is allowing rents to be increase by 1% more than inflation, which means an increase of 2.7% for next year.

4.2 In this year's budget we are proposing to increase our rents by this full amount. This will help the Council to recover some of the lost income as a result of four years of 1% cuts to rents, which contributed to our rental income falling from £17.5m in 2015/16 to £17.1m in

2018/19.

- 4.3 This will increase the average rent on our social rent properties by £2.16 per week, to £82.36. This is still below the average figure in 2015/16, which was £83.18. Rents for our affordable properties, which are set at the lower of the Local Housing Allowance rate or 80% of market value for the property, will rise on average by £2.74 to £109.37 per week. This is a slightly lower increase in percentage terms of 2.6%, which is caused by the Local Housing Allowance only increasing by inflation, which affects some properties.
- 4.4 As a result of these changes we expect rental income to increase by £317k.
- 4.5 Around a quarter of our tenants will have this increase covered by housing benefit or universal credit. Another quarter have part of their rent covered by one of these benefits, so in practice they will not be affected by the full 2.7% increase. The remaining 47% of tenants are not in receipt of benefits to pay their rent, so will be expected to pay the full 2.7% increase.

## **Fees and Charges**

- 4.6 In addition to our rents we set a number of fees and charges for additional services we provide tenants. This can range from service charges for items such as communal heating, communal lighting, maintenance of communal areas and the older persons service charge, to additional services such as garage rental. In September 2019 Cabinet approved a new corporate charging policy, which states that we should look to make a profit for the fees and charges where we are able to do so.
- 4.7 Appendix C and D sets out the planned changes to housing fees and charges this year, as a result of the charging policy and changes to our expected costs. The largest changes are:
- Reducing electricity and gas charges by 10%, as a result of falling expenditure in these areas.
  - Increasing rents for shops by 14%, as in previous years to reflect the fact they have been significantly under market rates for a number of years.
  - Increasing the service charges for servicing fire extinguisher servicing by 18.3%, as our costs are significantly above what we have been charging. Whilst the percentage increase is large, the actual income increase is small – rising rise from £718 to £850 across all our properties.
- 4.8 Our fees and charges will fall by an average of 0.96% in 2020/21, reducing our expected income by £8k. This includes our service charges, which are one particular type of fee and charge, and are designed to recover costs rather than generate a profit. They are due to go up by an average of 0.44%, resulting in £2.5k additional income.

## **5.0 2020/21 EXPENDITURE BUDGETS**

- 5.1 We have increased our repairs and maintenance budget by £148k to £5.5m, with the main changes being:
- An additional £25k on our repairs budgets to reflect cost inflation and historic under-provision within the budget.

- Increasing the budget for minor aids and adaptations by £13.5k to £70k to reflect demand.
- An additional £58k to fund a programme of asbestos surveys on our properties, bringing the total budget up to £70k.

5.2 Our In-house Repairs Team have a trading account for the work they complete repairing and improving our homes. We have changed how we account for this work in this year's budget, which affect a number of individual budgets but results in no overall change to the budget position. We have also budgeted for the costs of delivering the Home Improvement Programme in the trading account. This means for 2020-21 we expect the net surplus (after overheads) to be £329k. We have also included £10k to commission a value for money review of the In-house Repairs Team's delivery of the Home Improvement Programme.

5.3 The cost of managing our properties is expected to fall by £30k to £2.6m. The main cause of these decreases is the reduction on utility costs, with the budget for gas and electricity costs falling by £38.5k and the council tax budget falling by £50k, following the demolition of two former sheltered housing schemes; Woulds Court and Queensway House. We also anticipate a saving of £19k on our cleaning contract.

5.4 Across all our HRA budget lines we expect routine salary costs of existing staff to decrease by £165k. This is because the temporary team delivering the new housing IT system will revert back to their original roles, reducing the staff numbers within the Housing Revenue Account.

HRA staff changes	Amount (£'000)		One-off / Ongoing
Staffing increases as a result of incremental payments	48		
Staffing increases as a result of the Pay Award (budgeted at 2%)	60		
Staffing increases as result of pension changes	21		
Other Staffing increases (overtime, vacancy, change of hours)	(293)		
<b>Total Staffing Increases (excluding New Posts)</b>		(164)	Ongoing

5.5 The 2020/21 budget includes provision for three new posts, which are not included in the table above. The total cost of these three posts are expected to be £93k and will provide:

- **An additional staff member on a 12 month contract to support delivery of the Home Improvement Programme.**
- **An officer to help manage the new housing IT system and ensure we get the most out of the new functionality it offers.**
- **A new support officer to increase our capacity to support our elderly and vulnerable tenants, as well as completing important compliance requirements.**

5.6 Other savings that affect all areas are £46k from reducing running costs from the new IT system, £9k saving on a contribution to a homelessness grant that is no longer in place and

£8k in one-off savings as a result of our control centre having a new IT system with a one year warranty, which reduces our maintenance cost for next year.

## **Capital Programme**

- 5.7 Our transfer to the Major Repairs Reserve is stable at £3.1m, but the Revenue Contribution to Capital Outlay (RCCO) varies based on need. For 2020/21 we have budgeted for a £1.3m RCCO in order to fund the wider capital programme.
- 5.8 The RCCO funds a new £250k pilot project to regenerate one of our existing estates in order to improve the aesthetics and promote the council's wider corporate priorities. Full details of this and our other HRA capital expenditure plans can be found in the Draft Capital Programmes report on the same agenda as this paper.

## **Financing Costs**

- 5.9 We have budgeted £3.4m to pay for our debt. Of this, £2.2m will pay our interest costs and £1.2m is repayment of two annuity loans.

## **Journey to Self Sufficiency Programme**

- 5.10 The revised approach and ethos of the Council's Journey to Self-Sufficiency Programme is to enhance the cost-effectiveness of the council's activities in spite of, rather than because of, a negative financial outlook where one exists. This new approach builds on the 'One Team, One Council' approach to make the most of resources and reinvestment opportunities and being the best Council we can possibly be across all services.

To ensure that our tenants also benefit from wider corporate work that is looking to reduce our costs or increase our income, our Housing service has targeted to deliver savings or additional income that increases our net operating surplus by £225k in 2020/21. These savings will remain within the HRA and targeted savings have also been included in the medium term financial plan for future years.

## **Surpluses for the year**

- 5.11 The net result of these changes is that we are budgeting for a £2.5m surplus on the Housing Revenue Account in 2020-21. We intend to put the surplus into the debt repayment reserve and draw on it if required for future projects, such as New Supply. Section 4 of the accompanying medium term financial plan report provides more detail on our use of surpluses.
- 5.12 However, there is currently no allowance within this budget for work to reduce our carbon emissions following Council's declaration of a climate emergency in May 2019. This is because officers are still working to understand how we can respond most effectively. We consider the HRA budgets to have sufficient flexibility to absorb additional costs during the year to start the work when completed.

## **6.0 HRA MEDIUM TERM FINANCIAL PLAN**

- 6.1 The HRA Business Plan is supported by a 30-year financial model that estimates what will happen to the HRA's financial position. It is used to support strategic decision making, such as how to manage our debt and how much to invest in our capital programme. The model is based on a number of assumptions, which have all been subjected to detailed review over

the past year to ensure that they remain prudent and in line with best practice, more detail on these changes can be found in section 4 of the accompanying Medium Term Financial Strategy Report.

6.2 The revisions made have led to a significant improvement in the 30 year financial outlook for the HRA. We now anticipate being able to repay the loans taken out in 2012 as part of the HRA self-financing agreement, which are detailed in Appendix E.

6.3 The model is, however, very sensitive to small changes in assumptions and Finance will continue to be reviewed every 6 months to ensure they remain realistic.

## 7.0 **CONSULTATION PROCESS**

7.1 In a change to previous years, Corporate Scrutiny Committee has already reviewed the planned changes to budgets at a meeting on 7 November 2019. The Committee discussed the proposed rent increase, with concern being raised as to whether they were affordable for tenants. The average rent paid by tenants will remain below the average rents in 2014/15, which was before four years of 1% rent decreases, so we have made no changes to this budget as a result. We will seek tenant's views on the rent increases through the budget consultation period and report back to Cabinet in February. A link to the draft minutes to the meeting is provided in the background papers section on page one of this report.

7.2 There was also discussion about creating a company to protect some of our properties from right to buy. This will be a key focus of the new Strategic Director of Housing, Customer Service and Finance in the New Year.

7.3 We are now looking for Cabinet's approval to consult more widely on contents of this report and its appendices. In doing so we will consult with:

- Tenants, through the Performance and Finance Working Group (the Council's Resident Involvement technical finance working group) and by writing to all tenants involved within resident involvement.
- Tenants and Leaseholders Consultation Forum (the Council's main consultative body of tenants)
- Wider public consultation, using the Council's website and twitter accounts.

We will also return to the Corporate Scrutiny Committee on 8 January 2020 to allow the committee scrutinise the latest budget position.

7.4 A copy of the consultation timetable can be found in Appendix F.

## 8.0 **ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

8.1 The Local Government Act 2003 requires the Council's Chief Financial Officer (Section 151 Officer) to comment on the robustness of the estimates and also on the adequacy of the proposed reserves. Members must have regard to these comments when making a decision on the budget proposals for the forthcoming year.

8.2 Taking into account identified risks, the Section 151 Officer considers that the estimates which form the Housing Revenue Account Budget for 2020/21 are robust and prudent, and the proposals are deliverable.

8.3 The Section 151 Officer also considers that the overall level of Housing Revenue Account reserves are adequate.

<b>Policies and other considerations, as appropriate</b>	
Council Priorities:	The HRA budget mainly assists the “local people live in high quality, affordable homes” priority. There are also links to the value for money priority.
Policy Considerations:	This budget sets out our rent policy for 2020/21, in line with the proposed national rent increase formula.
Safeguarding:	No issues
Equalities/Diversity:	No issues
Customer Impact:	The majority of our tenants will be impacted by the increase in rents set out within this report.  The budget also ensures that our Housing service is sufficiently resourced to be a good landlord.
Economic and Social Impact:	No issues
Environment and Climate Change:	These budgets do not reflect the climate emergency declared by the Council in May 2019. This is because officers are still building up an understanding of how we can respond most effectively.  We consider the HRA budgets to have sufficient flexibility to absorb additional costs during the year to start this work when completed.
Consultation/Community Engagement:	<ul style="list-style-type: none"> <li>• Corporate Leadership Team (CLT).</li> <li>• Housing and Property Services Portfolio Holder</li> <li>• Corporate Scrutiny Committee.</li> </ul>
Risks:	The Council sets a HRA budget, which is regularly monitored throughout the year to ensure services are delivered within budget. Risks are managed through the corporate risk management process.
Officer Contact	Tracy Bingham Head of Finance and Section 151 Officer 01530 454 707 <a href="mailto:tracy.bingham@nwleicestershire.gov.uk">tracy.bingham@nwleicestershire.gov.uk</a>

## APPENDIX A

HOUSING REVENUE ACCOUNT SUMMARY	2019/2020		2020/2021
	Budget £	Forecast (p7) £	Estimate £
1. TOTAL REPAIRS & MAINTENANCE	5,365,350	5,174,040	5,513,550
SUPERVISION & MANAGEMENT			
2.    General	2,134,230	2,024,930	2,080,140
3.    Special / Supporting People	559,550	548,640	583,620
4.	2,693,780	2,573,570	2,663,760
5. PROVISION -DOUBTFUL DEBTS	100,000	100,000	100,000
6. CAPITAL FINANCING:-			
7.    Depreciation - MRA & other	3,139,190	3,139,190	3,139,190
8.    Debt Management Expenses	2,750	2,750	2,750
9. TOTAL CAPITAL FINANCE COSTS	3,141,940	3,141,940	3,141,940
10. IN-HOUSE REPAIRS TEAM NET (SURPLUS)/DEFICIT	See note 1	See note 1	(328,800)
11. DEPARTMENTAL ADMINISTRATION	0		108,010
<b>12. TOTAL EXPENDITURE</b>	<b>11,301,070</b>	<b>10,989,550</b>	<b>11,090,450</b>
13. RENT INCOME			
14.    Dwellings	17,009,750	17,013,120	17,326,390
15.    Service Charges	553,070	515,930	556,770
16.    Garages & Sites	65,920	62,000	65,920
17.    Other	20,120	19,060	23,120
<b>18. TOTAL INCOME</b>	<b>17,648,860</b>	<b>17,610,110</b>	<b>17,972,200</b>
<b>19. NET COST/(SURPLUS) OF SERVICES</b>	<b>-6,347,790</b>	<b>-6,620,560</b>	<b>-6,881,750</b>
<b>20. J2SS Cost Savings/Income increases</b>	<b>0</b>		<b>-225,000</b>
21. CAPITAL FINANCING - HISTORICAL DEBT	125,000	125,000	125,000
22. CAPITAL FINANCING - SELF FINANCING DEBT	3,257,170	3,257,170	3,257,170
23. INVESTMENT INCOME	-108,550	-124,550	-109,900
24. PREMATURE LOAN REDEMPTION PREMIUMS	7,060	0	0
<b>25. TOTAL DEBT FINANCING COSTS</b>	<b>3,280,680</b>	<b>3,257,620</b>	<b>3,272,270</b>
<b>26. NET OPERATING EXPENDITURE/(SURPLUS)</b>	<b>-3,067,110</b>	<b>-3,362,940</b>	<b>-3,834,480</b>
27. REVENUE CONTRIBUTION TO CAPITAL	1,700,000	1,700,000	1,334,000
28. DEPRECIATION CREDIT	(50,730)	(50,730)	0
28.	1,649,270	1,649,270	1,334,000
<b>29. NET (SURPLUS) / DEFICIT</b>	<b>-1,417,840</b>	<b>-1,713,670</b>	<b>-2,500,480</b>
HRA BALANCES			
30. Balance Brought Forward	-1,272,099	-1,272,099	-1,272,099
31. (Surplus)/Deficit for Year	-1,417,840	-1,713,670	-2,500,480
32. Transfer to Loan Repayment Reserve	1,417,840	1,713,670	2,500,480
33. HRA General Balance as at year end	-1,272,099	-1,272,099	-1,272,099
34. Loan Repayment Reserve balance	-13,000,000	-14,713,670	-17,214,150

Note 1: This is the first year we have presented the In-house repairs team surplus in this way, so there is no comparable figure for 2019/20

## HRA Budget Proposals over £5,000

## APPENDIX B

\* Denotes a proposal that has not gone to Corporate Scrutiny Committee

Reason for changing the budget	Proposal	One-off recurring	Council priority	Investment/ (Saving) Amount
<b>Cost Pressures</b>	Inflationary increase to our responsive repairs budget	Recurring	High Quality Affordable Homes	£25,000
	An additional post to support delivery of the Home Improvement Programme for 12 months.	One-off	High Quality Affordable Homes	£29,000
	Increasing aids and adaptation revenue budget to match demand.	Recurring	High Quality Affordable Homes	£13,500
	Additional investment in asbestos surveys across our stock.	Recurring	High Quality Affordable Homes	£58,000
<b>Increase/ Decrease in Income</b>	Increase in rental income	Recurring	High Quality Affordable Homes	-£317,000
	*Net increase in income from the In-House Repairs team trading account.	Recurring	Value for money	£-331,700
<b>Service Development</b>	Commission a Value for Money Review of the IRT delivery of the HIP program during Q2 of 2020/21	One-off	Value for money	£10,000
	Additional staff member to meet increased compliance requirements and increased contact with support customers	Recurring	Safe, Healthy & Connected Communities	£31,000
	Contractual savings from the new Housing IT system.	Recurring	High Quality Affordable Homes	-£46,200
	Additional post to manage the new Housing IT system.	Recurring	High Quality Affordable Homes	£35,000
<b>Budget Saving</b>	Our electricity costs are expected to fall.	Recurring	Value for money	-£20,000
	Our gas costs are expected to fall.	Recurring	Value for money	-£18,500
	Reduction in our council tax liability as a result of long-term empty homes being demolished.	Recurring	Value for money	-£50,000
	* Savings on cleaning costs	Recurring	Value for money	-£19,000
	* Reduction in HRA contribution to homelessness grants	Recurring	Value for money	-£9,000
	* Maintenance savings resulting from a new system being under warranty.	One-Off	Value for money	-£8,000

APPENDIX C

COMPARISON OF 2019/20 AND 2020/21 HOUSING CHARGES								
APPENDIX C								
Chargeable Service	2019/20		2020/21			Notes	Basis for Change	Charging Policy
	Actual 2019/20	Notes	Estimates 2020/21	Increase/ (Decrease)	Percentage Change			
Service Charges	£566,081	See Appendix D	£568,559	£2,478	0.44%	See Appendix D	Based on assessment of all chargeable services	Full Cost Recovery
Central Heating	£84,550	0 Bed: £6.97pw 1 Bed: £8.41pw 2 Bed: £9.65pw 3 Bed: £11.09pw	£76,095	£-8,455	-10.00%	0 Bed: 6.27pw 1 Bed: £7.57pw 2 Bed: £8.68pw 3 Bed: £9.99pw	Based on revised estimate of usage and forecast energy prices for 2020/21.	Full Cost Recovery
Garage & Garage Site Rent	£72,761	Garage: £6.91 per week Garage Site: £4.43 per week	£66,654	£-6,107	2.60%	Garage: £7.09 per week Garage Site: £4.54 per week	Charges increasing by September 2019 RPI, but number of occupied garages decreasing.	Profit generating
Shop Leases	£21,186	Varies by location	£24,152	£2,966	14.00%	Varies by location	Average 14% increase for 10 years based on Nov 2014 Cabinet Report	Profit generating
Tenants Contents Insurance	£51,961	Premiums from £0.28 to £6.23 per week	£51,961	£0	0.00%	Premiums from £0.28 to £6.23 per week	No increases this year.	Profit generating
Lifelines (East Midlands Housing Association)	£41,829	Various depending on scheme but average increase from £2.99 to £3.09 per week	£42,917	£1,088	2.60%	Various depending on scheme but average increase from £3.07 to £3.18 per week	September 2019 RPI increase in line with other years	Service development
<b>Total Services</b>	<b>£838,368</b>		<b>£830,338</b>	<b>£-8,030</b>	<b>-0.96%</b>			

Housing Service Charges

APPENDIX D

COMPARISON OF 2019/20 AND 2020/21 SERVICE CHARGES

Chargeable Service	2019/20	2020/21			Comments
		Estimates 2020/21	Increase/ (Decrease)	Percentage Change	Basis of Increase/(Decrease)
Cleaning of shared/common parts	£64,470	£65,759	£1,289	2.00%	Contractual inflationary increase.
New Cleaning Contract Blocks	£29,686	£30,280	£594	2.00%	Contractual inflationary increase.
Repairs to shared/common parts	£4,755	£4,755	£0	0.00%	Continuation of freeze of these costs since 2018/19.
Grounds maintenance of shared/common parts	£106,782	£109,985	£3,203	3.00%	Assumed inflationary increase.
Utility costs of shared/common parts (Electricity)	£77,420	£69,678	-£7,742	-10.00%	Decrease as a result of planned budgetary savings.
Door entry systems	£1,584	£1,565	-£19	-1.19%	Based on falling actual costs.
Repairs and replacement of items in laundry room	£22,343	£22,790	£447	2.00%	Contractual inflationary increase.
Repair and replacement of items in common room/kitchen	£599	£623	£24	4.00%	Based on analysis of actual costs.
Support Officer checks in Schemes including fire alarms	£6,258	£6,383	£125	2.00%	Proposal to extend checks to include legionella testing and emergency lighting checks weekly.
Servicing of fire extinguishers	£718	£850	£132	18.30%	Based on average of past 6 years actual charges
Maintenance of Control Centre link equipment	£34,028	£34,709	£681	2.00%	Contractual inflationary increase.
Older Persons Service Charge	£157,450	£161,544	£4,094	2.60%	2.8% RPI increase based on August RPI figure weekly charge to increase from £3.09 to £3.17 per week
Administration fee	£53,300	£52,950	-£350	0%	15% of chargeable services
<b>Total Services</b>	<b>£559,393</b>	<b>£561,871</b>	<b>£2,478</b>	<b>0.44%</b>	

**NWLDC Housing Revenue Account Loan Schedule**

**NWLDC - HRA Self Financing loans taken up 26/03/12**

**PAYMENT PROFILE - PRINCIPAL AND INTEREST**

<b>Loan Type</b>	<b>Principal</b>	<b>Loan Period (Years)</b>	<b>Interest Rate (%)</b>
Maturity (2042)	10,000,000	30	3.5
Annuity	10,000,000	20	2.57
Maturity (2022)	10,000,000	10	2.4
Maturity (2022)	3,000,000	10	2.4
Annuity	10,000,000	15	2.02
Maturity (2037)	10,000,000	25	3.44
Maturity (2042)	13,785,000	30	3.5
Maturity (2042)	10,000,000	30	3.5
	<b>76,785,000</b>		

Note – The above schedule does not reflect the HRA share of existing general fund loans for which the HRA bears an annual charge.

## HRA Consultation and Budget Timetable

<b>Date</b>	<b>Group</b>	<b>Information</b>
28 October 2019	Tenants and Leaseholder Consultation Forum	Presented the high level budget considerations and the impact they may have on the Medium Term Financial Plan.
7 November 2019	Corporate Scrutiny Group	Reviewed detailed service developments within the budget.
10 December 2019	Cabinet	Approval of draft budget for wider consultation
12 December 2019	Tenant's Performance and Finance Working Group	Consideration of the draft budget and Medium Term Financial Plan
Mid - December	Public	Publication of draft Budget and invitation for comments on the Council's website
January	Public	Social media campaign to promote responses
27 January 2020	Tenants and Leaseholder Consultation Forum	Formal consideration of the draft budget and Medium Term Financial Plan
4 February 2020	Cabinet	Approval of Budget to go to Council.
25 February 2020	Council	Approval of Budget