

## APPENDIX B

**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL ALTERNATIVE HRA SUMMARY  
BUDGET 2021/22 – SUBMITTED BY COUNCILLOR S SHEAHAN**

| HOUSING REVENUE ACCOUNT SUMMARY                    | 2020/2021           |                     | 2021/2022           |
|--|---------------------|---------------------|---------------------|
|  | Budget<br>£         | Forecast (p9)<br>£  | Budget<br>£         |
| 1. TOTAL REPAIRS & MAINTENANCE                     | 5,540,720           | 4,666,720           | 5,572,627           |
| SUPERVISION & MANAGEMENT                           |                     |                     |                     |
| 2.    General                                      | 2,100,630           | 2,018,610           | 2,218,384           |
| 3.    Special / Supporting People                  | 593,570             | 560,170             | 619,821             |
| 4.   | 2,694,200           | 2,578,780           | 2,838,205           |
| 5. PROVISION -DOUBTFUL DEBTS                       | 100,000             | 100,000             | 100,000             |
| 6. CAPITAL FINANCING:-                             |                     |                     |                     |
| 7.    Depreciation - MRA & other                   | 3,139,190           | 3,139,190           | 3,178,525           |
| 8.    Debt Management Expenses                     | 2,750               | 2,750               | 2,930               |
| 9. TOTAL CAPITAL FINANCE COSTS                     | 3,141,940           | 3,141,940           | 3,181,455           |
| 10. IN-HOUSE REPAIRS TEAM NET<br>(SURPLUS)/DEFICIT | (285,520)           | 817,622             | (400,720)           |
| 11. DEPARTMENTAL ADMINISTRATION                    | 0                   | (119,960)           | 0                   |
| <b>12. TOTAL EXPENDITURE</b>                       | <b>11,191,340</b>   | <b>11,185,102</b>   | <b>11,291,567</b>   |
| 13. RENT INCOME                                    |                     |                     |                     |
| 14.    Dwellings                                   | (17,306,320)        | (17,265,900)        | (17,404,690)        |
| 15.    Service Charges                             | (556,770)           | (518,730)           | (541,140)           |
| 16.    Garages & Sites                             | (65,920)            | (48,610)            | (49,350)            |
| 17.    Other                                       | (23,140)            | (23,140)            | (23,198)            |
| <b>18. TOTAL INCOME</b>                            | <b>(17,952,150)</b> | <b>(17,856,380)</b> | <b>(18,018,378)</b> |
| <b>19. NET COST/(SURPLUS) OF SERVICES</b>          | <b>(6,760,810)</b>  | <b>(6,671,278)</b>  | <b>(6,726,811)</b>  |
| 20. J2SS Cost Savings/Income increases             | (225,000)           | 0                   | (225,000)           |
| 21. CAPITAL FINANCING - HISTORICAL DEBT            | 125,000             | 110,000             | 108,000             |
| 22. CAPITAL FINANCING - SELF FINANCING<br>DEBT     | 3,257,170           | 3,257,170           | 3,365,845           |
| 23. INVESTMENT INCOME                              | (109,900)           | (43,620)            | (3,380)             |
| <b>25. TOTAL DEBT FINANCING COSTS</b>              | <b>3,047,270</b>    | <b>3,323,550</b>    | <b>3,245,465</b>    |
| <b>26. NET OPERATING EXPENDITURE/(SURPLUS)</b>     | <b>(3,713,540)</b>  | <b>(3,347,728)</b>  | <b>(3,481,346)</b>  |
| 27. REVENUE CONTRIBUTION TO CAPITAL                | 934,000             | 934,000             | 4,400,000           |
| 28. REPAYMENT OF HRA DEBT                          | 0                   | 0                   | 13,000,000          |
| 29. TRANSFER FROM LOAN REPAYMENT<br>RESERVE        | 0                   | 0                   | (13,000,000)        |
| <b>29. NET (SURPLUS) / DEFICIT</b>                 | <b>(2,779,540)</b>  | <b>(2,413,728)</b>  | <b>918,654</b>      |
| <u>HRA BALANCES</u>                                |                     |                     |                     |
| 30. Balance Brought Forward                        | (3,699,522)         | (3,699,522)         | (6,113,250)         |
| 31. (Surplus)/Deficit for Year                     | (2,779,540)         | (2,413,728)         | 918,654             |
| 32. Transfer from/(to) Loan Repayment Reserve      | 0                   | 0                   | 13,000,000          |
| 33. HRA General Balance as at year end             | (6,479,062)         | (6,113,250)         | (5,194,596)         |
| 34. Loan Repayment Reserve balance                 | (13,000,000)        | (13,000,000)        | 0                   |

## Summary of Changes

|  | 2021/22          | 2022/23           | 2023/24          | 2024/25          | 2025/26          | 5 Year Total      |
|--|------------------|-------------------|------------------|------------------|------------------|-------------------|
| <b>Budgeted HRA Surplus</b><br>(as per Administration Budget)        | 35,000           | -1,783,000        | -719,000         | -130,000         | 688,000          | -1,909,000        |
| <b>HRA Balances at end of year</b><br>(as per Administration Budget) | 6,113,250        | 4,330,250         | 3,611,250        | 3,481,250        | 4,169,250        |                   |
| <b>Alternative Budget Items:</b>                                     |                  |                   |                  |                  |                  |                   |
| 1) Reduction in rent increase in 2021/22 from 1.5% to 0.5%           | -171,000         | -175,000          | -181,000         | -186,000         | -189,000         | -902,000          |
| 2) Net Additional Surplus from New Properties                        | 76,020           | 156,601           | 161,299          | 166,138          | 169,461          | 729,520           |
| 3) Additional interest costs from borrowing to increase New Supply   | -108,675         | -144,900          | -144,900         | -144,900         | -144,900         | -688,275          |
| 4) Additional RCCO to fund the increased Zero Carbon Programme       | -750,000         |                   |                  |                  |                  | -750,000          |
| <b>Alternative Budget HRA Surplus</b>                                | <b>-918,655</b>  | <b>-1,946,299</b> | <b>-883,601</b>  | <b>-294,762</b>  | <b>523,561</b>   | <b>-3,519,755</b> |
| <b>Alternative Budget HRA Balances at end of year</b>                | <b>5,194,595</b> | <b>3,248,296</b>  | <b>2,364,695</b> | <b>2,069,934</b> | <b>2,593,495</b> |                   |