

Appendix A

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – THURSDAY, 22 FEBRUARY 2024



Title of Report	HOUSING REVENUE ACCOUNT (HRA) BUDGET AND RENT SETTING 2024/25	
Presented by	Councillor Andrew Woodman Housing, Property and Customer Services Portfolio Holder	
Background Papers	<p>Housing Revenue Account Budget and Rents 2023/24 – Council 23 February 2024</p> <p>Draft Housing Revenue Account (HRA) and Rents 2024/25 – Cabinet 9 January 2024</p> <p>Draft Minutes of the Corporate Scrutiny Committee – 4 January 2024</p>	Public Report: Yes
Financial Implications	<p>This report sets out the Housing Revenue Account (HRA) budget including both capital and revenue for 2024/25 to 2028/29.</p> <p>It also sets out the proposed increase in rents for 2024/25 along with other planned changes to the fees and charges levied by the Council for some services delivered within the scope of the HRA.</p> <p>Signed off by the Section 151 Officer: Yes</p>	
Legal Implications	<p>No direct legal implications arising from this report.</p> <p>Signed off by the Monitoring Officer: Yes</p>	
Staffing and Corporate Implications	<p>No direct Staffing and Corporate implications arising from this report.</p> <p>Signed off by the Head of Paid Service: Yes</p>	
Purpose of Report	To allow the Council to approve the 2024/25 Housing Revenue Account budget and rents.	
Recommendations	<p>COUNCIL IS RECOMMENDED:</p> <ol style="list-style-type: none"> 1. TO APPROVE THE HOUSING REVENUE ACCOUNT (HRA BUDGET FOR 2024/25 (APPENDIX 1) AS SUMMARISED IN SECTION 2 OF THIS REPORT, INCLUDING THE INCREASING OF RENTS BY 7.7%. 2. TO NOTE THE FEES AND CHARGES APPROVED BY CABINET ON 31 JANUARY 2024 (APPENDIX 3). 	

	<p>3. TO NOTE THE HRA BUDGET FOR 2025/26 TO 2028/29 (APPENDIX 1).</p> <p>4. TO APPROVE THE PROPOSED HRA CAPITAL PROGRAMME FOR 2024/25 (APPENDIX 4) AND PLANNED FINANCING, AS SET OUT IN SECTION 3 OF THIS REPORT.</p> <p>5. TO NOTE THE HRA CAPITAL PROGRAMME FOR 2025/26 TO 2028/29 (APPENDIX 4).</p>
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1.0 BACKGROUND

1.1.1 The Housing Revenue Account (HRA) Medium Term Financial Plan (MTFP) sets out the financial strategic direction for the HRA and is updated as it evolves and develops throughout the year, to form the framework for financial planning.

1.1.2 The purpose of the HRA MTFP is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget setting process to ensure that resources are effectively managed and are able to deliver the aspirations of the Council, as set out in the Council Plan, over the medium term.

1.2 Context

1.2.1 The Council is setting the HRA budget at a time when it and residents face a range of issues to contend with. In broad terms these can be split into two categories: economic and housing. Each of these is explored below:

Economic

1.2.2 The recent report by the Office of Budget Responsibility (OBR) in respect of the Economic and Fiscal Outlook describes how the economy has proved to be more resilient to the shocks of the Covid pandemic and energy crisis than anticipated. GDP stood nearly 2% above its pre-pandemic level and around 3% above the OBR March forecast but it is now expected the economy will grow more slowly over the medium term.

1.2.3 Inflation is expected to fall below 5% by the end of the calendar year but not returning to its 2% target until the first half of 2025.

Housing

1.2.4 In response to health and safety issues which came in to focus following the 2017 Grenfell tragedy as well as several disrepair cases and fatalities highlighted in the media, the Social Housing Act (2023) has received royal assent. The Act gives greater enforcement powers to the Regulator for Social Housing on breaches of consumer standards.

1.2.5 Recognising the wider context within which the budget is being set, the Council made improvements to financial management in the last 12 months and has continued to use processes to develop its draft budget plans for 2024/25 and over the medium term. This recognises the greater focus within the organisation on its finances. The process, coupled with that used in previous years, has involved:

- Services completing budget proposals to justify the need for any changes to the budget.
- A zero-based approach to budgeting in the HRA. Each line has been reviewed and amended based on expected levels of activity etc.
- Budget STAR Chamber sessions between Directors and Heads of Services.
- Regular reporting to the Corporate Leadership Team on the Council's overall budget position.
- Engagement with councillors through Portfolio Holder briefings, Strategy Group and an all councillor briefing,
- Further engagement has taken place through Scrutiny and consultation with the public.

1.3 **Budget Assumptions**

1.3.1 The following budget assumptions have been built into the forecast:

- Pay award – additional 2.75% for 2023/24 (4% had been included within the 2023/24 budgets), 3% in 2024/25 and 2% thereafter.
- Each budget line for the HRA has been reviewed to reflect the forecast actual value for future years, taking into account contract values, expected activity levels and previous years' expenditure. With inflation added as per contracts.
- Staffing requirements have been considered to ensure the delivery of an effective housing service with best outcomes for tenants.
- Contracts have been linked to the Consumer Price Index (CPI)/ Retail Price Index (RPI) as per individual agreements.
- Inflation – fuel and utilities inflation are very volatile which was reflected in the large increases in the budget in 2023/24 of between 30% and 100%. After reviewing the current prices and future indications based on the best information available, the decision has been taken that there is sufficient provision in the 2024/25 budget in to meet demand.
- Fees and charges – there have been some fees and charges increased by inflation and where appropriate these have been taken into account where demand has changed (please see section 2.4 for more detailed information on fees and charges).
- Rents are assumed to increase as per the rent standard at the 12-month CPI from September 2023 which was 6.7% plus 1%, a total increase of 7.7%.
- Number of properties sold through Right to Buy is assumed to reduce from previous years' estimate of 44 down to 20 per year. Lower numbers of homes have been sold through Right to Buy so far in the current financial year. This can be viewed in the context of cost-of-living increases and high interest rates.
- Future borrowing is assumed to cost 4.65% in interest.

2.0 HOUSING REVENUE ACCOUNT (HRA) BUDGET AND MTFP 2024/25 TO 2028/29

2.1 HRA Budget Summary

2.1.1 Appendix 1 shows the HRA budget position for 2023/24 and the budget for 2024/25 to 2028/29.

2.1.2 Table 1 below highlights that in 2024/25 the budgeted operating expenditure has increased by £3.2m compared to 2023/24 with the anticipated income increasing by £1.5m.

Table 1: Changes to the Housing Revenue Account budget from previous year

	2023/24	2024/25	Movement
	£'000	£'000	£'000
Income	-20,139	-21,613	-1,474
Operating Expenditure	17,077	20,226	3,149
Operating (surplus)/deficit	-3,062	-1,387	1,675
Appropriations	7,541	4,005	-3,536
Net (surplus)/deficit	4,479	2,618	-1,861

2.1.3 The appropriations in the table are the use of the HRA working balance to fund the capital programme as well as contributing to the loan repayment reserve. These appropriations are significantly lower in 2024/25 as the HRA balance has a lower capacity to fund capital.

2.2 Rents

2.2.1 As a self-financing account, the HRA's main source of income is the rents tenants pay for their homes. From 2016/17 to 2020/21 the Welfare Reform Act (2016) required all social rents to be reduced by 1% each year. This negatively impacted on the budget and the Council's ability to fund improvements. In 2023/24 a rent cap was imposed which capped rent increases at 7% which was 3.1% below inflation. This real terms rent cut further impacted on available funding.

2.2.2 For 2024/25 the Council proposes to increase the rents by 7.7% which is in line with the Rent Standard of CPI +1% for 2024/25. (The rent standard is a policy that registered providers of social housing in England must comply with and is overseen by the Regulator of Social Housing.) The increase is expected to result in a total rental income of £20.2 million in 2024/25.

2.2.3 The average weekly rent for the 3,965 Social Rent properties, will increase from £92.98 to £99.28, an average increase of £6.30 per week. Those tenants who are more vulnerable are protected via benefits increases above this level, meaning that the worst off in the district will be no worse off.

2.3 Budget Amendments

2.3.1 Appendix 2 summarises the most significant proposed changes to the HRA budgets. Looking at 2024/25 specifically, the total amendments of £1.68m include:

- **Net increase in income totalling £1.47m.** This is largely due to the increased rental income of £1.1m described in paragraph 2.2.2 and also includes income of £0.3m from grant for use of lower carbon heating.
- **Cost pressures totalling £3.68m.** The most significant cost pressures relate to:
 - repairs backlog costs totalling £2m.
 - Inflation of £0.37m which is mainly £0.34m inflation on recharges from the general fund.
 - pay related costs are due to increase by £0.3m, to ensure staffing matches the demand for the service.
 - corporate pressures totalling £0.77m which is mainly the increase in depreciation costs which increase due to inflation and the changing number of properties and works.
- **Other Amendments overall reducing expenditure by £0.39m.** This is a result of the comprehensive review of all budget lines ensuring all income and all expenditure is budgeted for at the correct level. The main item is Responsive Repairs £0.40m.

2.4 Fees and Charges

2.4.1 In addition to the rental charged for dwellings, there are a number of other fees and charges in relation to services provided within the HRA. Some properties have service charges, on top of the rent, to pay for specific services relevant to their properties. The proposed fees and charges for 2024/25 are listed in Appendix 3. The main changes are listed below:

- Most service charges increased by 6.7%, September CPI in line with the corporate charging policy.
- A new charge for storage of and charging for mobility scooters. The amount of charge depends on the scheme.

3.0 HRA CAPITAL PROGRAMME 2024/25 TO 2028/29

3.1 Summary HRA Capital Programme

3.1.1 The proposed HRA capital programme is outlined in Appendix 4. In 2023/24 governance improvements were made via the Capital Strategy for managing capital programmes through their life cycle. In 2024/25, the programme has again been split into Approved and Development Pool to allow development schemes in early stages to go through further governance before being allocated a budget appropriate to complete each stage of development. A summary of the capital programme is shown in Table 2.

Table 2: Summary Capital Programme

	2024/25 Budget £'000	2025/26 Indicative £'000	2026/27 Indicative £'000	2027/28 Indicative £'000	2028/29 Indicative £'000	Total £'000
Stock Investment	10,425	7,800	7,800	7,800	7,800	41,625
Estate Improvements	670	500	500	500	500	2,670
Fleet Replacement	0	100	300	0	0	400
Other Capital	1,430	600	600	600	600	3,830
Total Approved Programme	12,525	9,000	9,200	8,900	8,900	48,525

	2024/25 Budget £'000	2025/26 Indicative £'000	2026/27 Indicative £'000	2027/28 Indicative £'000	2028/29 Indicative £'000	Total £'000
Total Development Pool	3,400	5,810	2,640	1,190	4,660	17,700
Housing Revenue Account Total	15,925	14,810	11,840	10,090	13,560	66,225

3.1.2 Over the five-year period, the total programme comes to £66.23m, an increase of £3.7m over the previous five-year programme. The difference is mainly due to a £3.8m increase in New Supply, a new budget of £2m over 5 years to tackle asbestos, £2m increase in Home Improvement Programme. These are offset by a £1.6m reduction on Major Aids and Adaptations, a £1.3m reduction in the Zero Carbon budget and a £1.2m reduction across the Estate Improvement budgets.

- **New Supply:** The programme has been extended to include sites being initially developed by registered providers.
- **Home Improvement Programme:** The increase of £2m is to cover the cost of a backlog of works.

3.1.3 Work has commenced on a revised Asset Management and Business Plan for the HRA. This will be completed during 2024/25 and will inform the future programming of the HRA in future years.

3.2 Funding the Capital Programme

3.2.1 The capital programme is funded from a variety of sources, including revenue, grants, capital receipts and borrowing. Table 3 below summarises the funding sources identified for each year of the proposed HRA capital programme.

Table 3: Sources of funding for the capital programme

	2024/25 Budget £'000	2025/26 Indicative £'000	2026/27 Indicative £'000	2027/28 Indicative £'000	2028/29 Indicative £'000
Reserves	4,349	3,996	3,601	3,360	3,072
Capital Receipts	6,230	2,968	2,452	2,001	3,389
Revenue contributions	1,513	245	315	351	414
External Borrowing	3,833	7,601	5,472	4,378	6,685
Housing Revenue Account Total	15,925	14,810	11,840	10,090	13,560

3.2.2 Table 3, above, shows a borrowing requirement of £28m over five years to fund the programme. This has increased by £3.6m compared to the five-year plan from 2023/24. The increase is due to a combination of reserves being used to fund 2023/24 as well as the impact of inflation and other service pressures on the availability of revenue contributions to capital.

4.0 DEBT

- 4.1 The loan balance for the HRA is forecast to be £51.1m at the end of 2023/24. There are annuity loan repayments of approximately £1.2m to make each year, these repayments are usually funded from working balances but once working balances reach the £1m minimum, they will be funded from other capital resources.
- 4.2 There are also loans to be repaid at maturity. The next of these to repay is a £10m repayment in 2036/37. In accordance with the strategy agreed in 2012 when self-financing for the HRA was introduced, the Council sets aside funding each year in a Debt Repayment Reserve to ensure there is sufficient funding to repay debt when it matures. The budget assumes £2.5m is set aside in 2024/25 from capital resources in order to make the scheduled repayments at maturity, this increases each year as there is further borrowing to finance the capital programme.
- 4.3 The HRA business plan is to be reviewed over the next few months and it will be investigated whether the approach of using a debt repayment reserve presents the best approach for a well-funded HRA and best use of resources. The findings will be presented to Scrutiny and Cabinet.

5.0 RESERVES

- 5.1 The Council has a number of reserves for the use of the HRA. Most of the reserves are used for capital financing as shown in 3.2.1. Table 4 shows the projected reserve balances over the MTFP period.

Table 4: Reserve balances

Reserve	31.3.25 £000	31.3.26 £000	31.3.27 £000	31.3.28 £000	31.3.29 £000
Major Repairs Reserve	0	0	0	0	0
Capital Receipts	3,544	2,276	2,550	3,274	2,610
Debt Repayment Reserve	4,591	7,275	10,339	13,677	17,233
Total Capital Reserves	8,135	9,551	12,889	16,951	19,843
HRA Reserve	1,000	1,000	1,000	1,000	1,000
Earmarked Reserves	510	510	510	510	510
Total Revenue Reserves	1,510	1,510	1,510	1,510	1,510

6.0 KEY RISKS TO THE BUDGET

- 6.1 Table 5 provides an assessment of the key risk areas to determine the robustness of the estimates and adequacy of reserves included in the HRA budgets:

Table 5: Key Risks to the Budget

Area	Y/N	Comments
Is performance against the current year's budget on track and where variances are evident, ongoing and unavoidable, are they appropriately reflected in the plans?	Y	The 2023/24 financial monitoring is showing a projected overspend of £0.436m on the HRA. Work is currently on-going within services to mitigate these pressures and minimise any drawdown from reserves. The on-going and unavailable pressures, alongside potential reductions in reserve levels, have been factored into budget plans for 2024/25 and the medium term.
The reasonableness of the underlying budget assumptions	Y	External review has also been undertaken by the treasury advisers, Arlingclose, on the Treasury Management Strategy.
The alignment of resources with the Council's service and organisational priorities	Y	Resources are aligned to the current priorities of the Council. A new Council Delivery Plan (CDP) has been developed and was approved by Council on 14 November 2023. The CDP is aligned to the resources available and risks faced by the Council.
A review of the major risks associated with the budget	Y	The major risks within the budget have been assessed and are set out in the budget report, including mitigations and strategies about how these are being managed.
The availability of un-earmarked reserves to meet unforeseen cost pressures	Y	The Council has a minimum level of reserves for HRA (£1m). This level is to be reviewed as part of the HRA business planning process.
Have realistic income targets been set and 'at risk' external funding been identified?	Y	An assessment of income targets has been undertaken as part of the development of the draft budget. The most significant area of income is from dwelling rents. The budget for this is produced with reference to current stock levels and expected stock loss, reconciling data and changes from previous year to current year. Fees and charges have been increased, where it is appropriate to do so, in accordance with the Council's Corporate Charging Policy.
Has a reasonable estimate of demand cost pressures been made?	Y	The enhanced budget process used in the development of the draft budget has improved the reasonableness of estimates.

7.0 CONSULTATION

7.1 Consultation with Members

7.1.1 The Corporate Scrutiny Committee considered the draft HRA budget at the meeting on the 4 January 2024. Members asked a number of questions around the proposals, and more detail can be seen in the minutes for the meeting, which are included as a background paper to this report.

7.1.2 There were also further questions which were taken away by officers to answer following the meeting which are detailed in Appendix 8 of the General Fund Budget and Council Tax 2023/24 report also presented at this meeting.

7.2 Public Consultation

7.2.1 As part of the budget consultation, the Council launched an online survey on 10 until the 23 January 2024 to seek the views of residents and businesses on the main changes within the budget. The survey was promoted via social media and set out the key changes to the budget and asked responders to state the extent to which they supported the proposed changes. Residents could also provide additional comments if they wanted to.

7.2.2 At the time of writing the report, the public consultation has not ended. This section of this report will be updated prior to the Council meeting and an addendum will be provided to the Cabinet meeting on 31 January 2024.

Policies and other considerations, as appropriate	
Council Priorities:	The budget provides funding for the Council to deliver against the priorities for the HRA.
Policy Considerations:	None
Safeguarding:	None
Equalities/Diversity:	There have been equality impact assessments conducted by services on relevant proposals during this period.
Customer Impact:	Customers are likely to be impacted by the changes to rents, fees and charges.
Economic and Social Impact:	The HRA capital programme allocates £41.6m over five years to improve homes and in the same period, £17.7m on new homes to give home to more people.
Environment, Climate Change and zero carbon:	The budget includes a capital programme of Zero Carbon works to dwellings worth £12.5m.
Consultation/Community Engagement:	Draft Budget: Corporate Scrutiny Committee – 04/01/24 Cabinet – 09/01/24 Public consultation between 10 January and 23 January 2024 Parish and town councils, trade unions and the Federation of small business between 10 January and 23 January 2024 Final Budget: Cabinet – 31/01/24

Risks:	The budgets will be monitored throughout the year to ensure the Council remains within its funding envelope and planned budget savings are delivered. Key risks to the budget are discussed in further detail in section 6 of the report.
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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL HRA SUMMARY BUDGET 2024/25 to 2028/29

2023/24 Revised Budget	HOUSING REVENUE ACCOUNT SUMMARY	2024/25 Requested Budget	2025/26 Indicative	2026/27 Indicative	2027/28 Indicative	2028/29 Indicative
£		£	£	£	£	£
	Expenditure					
7,693,445	Repairs & Maintenance	9,749,113	8,779,584	8,963,955	9,107,379	9,289,526
3,995,193	Supervision & Management	4,314,095	4,403,756	4,495,153	4,565,988	4,656,206
100,000	Provision for Doubtful Debts	100,000	100,000	100,000	100,000	100,000
3,466,317	Depreciation	4,161,536	4,327,682	4,417,848	4,530,456	4,619,880
1,822,113	Capital Financing & Debt Management	1,901,309	2,136,569	2,411,197	2,614,176	2,856,580
17,077,068	Total Expenditure	20,226,053	19,747,591	20,388,153	20,917,999	21,522,192
	Income					
-19,791,781	Rent & Service Charges	-21,004,680	-21,825,330	-22,466,877	-22,960,971	-23,418,331
-41,000	Non-Dwelling Rents	-38,900	-38,900	-38,900	-38,900	-38,900
-20,147	Other Income	-283,252	-253,252	-180,252	-84,252	-29,252
-286,000	Investment Income	-286,000	-228,000	-265,000	-352,000	-459,000
-20,138,928	Total Income	-21,612,832	-22,345,482	-22,951,029	-23,436,123	-23,945,483
-3,061,860	Net Operating Expenditure/-Surplus	-1,386,779	-2,597,891	-2,562,876	-2,518,124	-2,423,291
	Appropriations					
3,726,138	Transfer to/from reserves	2,492,444	2,352,728	2,248,235	2,167,064	2,008,925
3,814,898	Revenue Contribution to Capital	1,512,544	245,163	314,641	351,060	414,366
7,541,036	Total Appropriations	4,004,988	2,597,891	2,562,876	2,518,124	2,423,291
4,479,176	NET (SURPLUS)/DEFICIT	2,618,209	0	0	0	0
-6,576,920	Balance brought Forward	-3,618,209	-1,000,000	-1,000,000	-1,000,000	-1,000,000
4,479,176	-Surplus/Deficit In Year	2,618,209	0	0	0	0
-2,097,744	Balance Carried Forward	-1,000,000	-1,000,000	-1,000,000	-1,000,000	-1,000,000

North West Leicestershire District Council

Housing Revenue Account- Proposed Amendments to Budgets 2024/25 to 2028/29

Proposal Title	Proposal Description & Service Impact	2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Restructure	Change in staffing cost due to restructure (including pay award)	302,506	0	0	0	0
Pay awards	Change in staffing costs due to pay awards	0	307,895	110,842	113,059	115,319
Total Pay Related Costs		302,506	307,895	110,842	113,059	115,319
Heating contract	9.7% inflation on heating maintenance contract	46,090	0	0	0	0
Recharges from the General Fund	Inflation on services provided by the General Fund to the HRA	330,962	0	0	0	0
General inflation			115,761	167,631	103,552	159,751
Total Inflation Increases		377,052	115,761	167,631	103,552	159,751
"Right sizing" of budgets	Every budget line set for level of expected activity.	(400,848)	0	0	0	0
	1 proposal below 15k	13,860	(1,020)	(1,060)	(1,070)	(1,080)
Other Budget Adjustments		(386,988)	(1,020)	(1,060)	(1,070)	(1,080)
Repairs Backlog	Additional expenditure to tackle repairs backlog	2,000,000	(1,250,000)	0	0	0
Subscription to Regulator	Regulator of Social Housing subscription to cover costs of greater regulation	32,000	0	0	0	0
Change Consultant	Change Consultant to advise and assist with service transformation in 24/25	50,000	(50,000)	0	0	0
Cost Pressures		2,082,000	(1,300,000)	0	0	0
Investment Income	Investment income on HRA balances	0	58,000	(37,000)	(87,000)	(107,000)

North West Leicestershire District Council

Housing Revenue Account- Proposed Amendments to Budgets 2024/25 to 2028/29

Proposal Title	Proposal Description & Service Impact	2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Loan interest	Changes in loan interest due to capital financing requirements	79,197	235,173	274,570	202,935	242,347
Depreciation	Depreciation changes due to inflation and changing number of properties.	695,219	166,145	90,167	112,607	89,424
Total Other Corporate Amendments		774,416	459,318	327,737	228,542	224,771
Dwellings Rents	Dwellings Rent Increase	(1,137,219)	(797,000)	(626,000)	(482,000)	(442,000)
Service Charges	Service Charge Increase	(26,320)	(23,650)	(15,547)	(12,094)	(15,359)
Central heating charges	Central heating charges	(49,360)	0	0	0	0
Grant Income	Domestic Renewable Heat Incentive	(254,000)	30,000	73,000	96,000	55,000
Income	Two proposals below £15k	(7,005)	0	0	0	0
Total Changes In Income		(1,473,904)	(790,651)	(568,547)	(398,094)	(402,359)
Total Budget Amendments		1,675,081	(1,208,696)	36,603	45,989	96,402

North West Leicestershire District Council

Proposed Fees & Charges 2024/25 - Housing Revenue Account

Fee/Charge	2023/24 Fees	2024/25 Proposed Fees	Percentage Change in	
			Fees	Basis for Change
Central Heating	0 Bed: £8.58pw 1 Bed: £10.36pw 2 Bed: £11.88pw 3 Bed: £13.68pw	0 Bed: £9.01pw 1 Bed: £10.88pw 2 Bed: £12.47pw 3 Bed: £14.36pw	5%	Energy cost inflation
Garage and Site Rent	Garage: £8.09pw Garage Site: £5.18pw	Garage: £8.63pw Garage Site: £5.53pw	6.7%	Sept CPI
Service charges:				
Cleaning & Window Cleaning	£0.65 to £10.09	£0.69 to £10.77	6.70%	Sept CPI
Grounds Maintenance	£0.35 & £7.38 pw	£0.37 to £7.87	6.75%	Sept CPI
Repairs to common parts	£0.02 & £0.39 pw	£0.02 to £0.42	6.70%	Sept CPI
Repairs/replacement of items in Laundry	£0.09 to £8.01 pw	£0.10 to £8.55	6.70%	Sept CPI
Admin Fee	15% of chargeable services	15% of chargeable services	0.00%	
Cleaning Blocks £0.87 to £11.55 pw	£0.87 to £11.55 pw	£0.93 to £12.32	6.70%	Sept CPI
Fire Extinguishers	£0	£0	0.00%	No charge, majority removed.
Control Centre Link Equipment	£3.18 pw	3.39 pw	6.70%	Sept CPI
Door Entry Systems	£0.03 to £0.12 pw	£0.03 to £0.13	6.70%	Sept CPI
Heating (Electricity)	£8.58 to £13.11 pw	£9.15 to £13.99	6.70%	Sept CPI
Utility Cost of Shared/Common Parts	As per bill			As per cost
Older Persons Service Management Fee (incl. 15% management Fee~)	£3.71pw	3.58 pw	8.9%	Sept RPI
Scooter Store	New charge	£0.45 to £1.11pw		

PROJECT	2024/25	2025/26	2026/27	2027/28	2028/29	Total	Major Repairs Reserve	Capital Receipts	RCCO	Prudential Borrowing	Total
	For Approval	Indicative	Indicative	Indicative	Indicative						
	£	£	£	£	£	£					

Stock Investment

Home Improvement Programme	6,500,000	4,500,000	4,500,000	4,500,000	4,500,000	24,500,000	18,378,770	-	2,837,773	3,283,457	24,500,000
Asbestos	400,000	400,000	400,000	400,000	400,000	2,000,000	-	-	-	2,000,000	2,000,000
Roofs	550,000	250,000	250,000	250,000	250,000	1,550,000	-	-	-	1,550,000	1,550,000
Commercial Boilers	150,000	150,000	150,000	150,000	150,000	750,000	-	-	-	750,000	750,000
Stock Condition Surveys	325,000	-	-	-	-	325,000	-	-	-	325,000	325,000
Zero Carbon	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	12,500,000	-	8,753,000	-	3,747,000	12,500,000
Total Stock Investments	10,425,000	7,800,000	7,800,000	7,800,000	7,800,000	41,625,000	18,378,770	8,753,000	2,837,773	11,655,457	41,625,000

Estate Improvements

Off-Street Parking	300,000	300,000	300,000	300,000	300,000	1,500,000	-	300,000	-	1,200,000	1,500,000
Estate Projects	200,000	100,000	100,000	100,000	100,000	600,000	-	200,000	-	400,000	600,000
Garage Demolition	70,000	50,000	50,000	50,000	50,000	270,000	-	70,000	-	200,000	270,000
Footpaths and Unadopted Roads	100,000	50,000	50,000	50,000	50,000	300,000	-	100,000	-	200,000	300,000
Total Estate Improvement	670,000	500,000	500,000	500,000	500,000	2,670,000	-	670,000	-	2,000,000	2,670,000

Fleet Replacement

Vehicles	-	100,000	300,000	-	-	400,000	-	-	-	400,000	400,000
Total Fleet Replacement	-	100,000	300,000	-	-	400,000	-	-	-	400,000	400,000

Other Capital

Sheltered Scheme Improvements	350,000	100,000	100,000	100,000	100,000	750,000	-	350,000	-	400,000	750,000
Passive Fire Safety	300,000	300,000	300,000	300,000	300,000	1,500,000	-	300,000	-	1,200,000	1,500,000
Scheme Lighting	250,000	200,000	200,000	200,000	200,000	1,050,000	-	250,000	-	800,000	1,050,000
Tunstall System	30,000	-	-	-	-	30,000	-	30,000	-	-	30,000
Major Aids and Adaptations	400,000	-	-	-	-	400,000	-	400,000	-	-	400,000
Housing Management IT System	100,000	-	-	-	-	100,000	-	-	-	100,000	100,000
Total Other Capital	1,430,000	600,000	600,000	600,000	600,000	3,830,000	-	1,330,000	-	2,500,000	3,830,000
Total Active Projects	12,525,000	9,000,000	9,200,000	8,900,000	8,900,000	48,525,000	18,378,770	10,753,000	2,837,773	16,555,457	48,525,000

DEVELOPMENT POOL

New Supply	3,400,000	5,810,000	2,640,000	1,190,000	4,660,000	17,700,000	-	6,287,316	-	11,412,684	17,700,000
Total Development Pool	3,400,000	5,810,000	2,640,000	1,190,000	4,660,000	17,700,000	-	6,287,316	-	11,412,684	17,700,000

TOTAL HRA CAPITAL PROGRAMME	15,925,000	14,810,000	11,840,000	10,090,000	13,560,000	66,225,000	18,378,770	17,040,316	2,837,773	27,968,141	66,225,000
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**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL
HOUSING REVENUE ACCOUNT SUMMARY BUDGET RECONCILIATION
DRAFT BUDGET 2024/25 TO FINAL BUDGET 2024/25**

	2024/25			Reason for Change
	Draft	Final	Variance	
	£	£	£	
Expenditure				
Repairs & Maintenance	8,803,262	9,749,113	945,851	Increased to ensure required budget for stock size
Supervision & Management	3,802,933	4,314,095	511,162	Income was allocated to this heading in error.
Provision for Doubtful Debts	100,000	100,000	0	
Depreciation	4,161,536	4,161,536	0	
Capital Financing & Debt Management	1,970,558	1,901,309	-69,249	Capital financing revised to cater for amended capital programme and preserve minimum balance
Total Expenditure	18,838,289	20,226,053	1,387,764	
Income				
Rent & Service Charges	-20,955,320	-21,004,680	-49,360	Central Heating income increase now included
Non-Dwelling Rents	-38,900	-38,900	0	
Other Income	-20,147	-283,252	-263,105	DRHI grant now included
Investment Income	-286,000	-286,000	0	
Total Income	-21,300,367	-21,612,832	-312,465	
Net Operating Expenditure/-Surplus	-2,462,078	-1,386,779	1,075,299	
Appropriations				
Transfer to/from reserves	3,927,595	2,492,444	-1,435,151	Capital financing revised to cater for amended capital programme and preserve minimum balance
Revenue Contribution to Capital	1,018,132	1,512,544	494,412	Capital financing revised to cater for amended capital programme and preserve minimum balance
Total Appropriations	4,945,727	4,004,988	-940,739	
NET (SURPLUS)/DEFICIT	2,483,649	2,618,209	134,560	
Balance brought Forward	-3,618,209	-3,618,209	0	
-Surplus/Deficit In Year	2,483,649	2,618,209	134,560	
Balance Carried Forward	-1,134,560	-1,000,000	134,560	