

**ADMINISTRATION RENT PROPOSALS**

**2017/18 – 2021/22**



**ADMINISTRATION - HRA BUDGET PROPOSALS 2017-2022**

	<b>2016/17 Budget</b>	<b>2017/18 Budget</b>	<b>2018/19 Budget</b>	<b>2019/20 Budget</b>	<b>2020/21 Budget</b>	<b>2021/22 Budget</b>
<b>Rent Increase</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>
<b>BUDGET</b>						
	£000	£000	£000	£000	£000	£000
<b>Income</b>						
House Rents	(25,610)	(27,517)	(29,135)	(31,168)	(33,563)	(36,093)
Garage Rents	(430)	(487)	(509)	(532)	(557)	(583)
Services/Service Charges	(459)	(482)	(506)	(531)	(558)	(585)
Other Income	(135)	(136)	(137)	(138)	(139)	(140)
Interest	(61)	(51)	(20)	(12)	(13)	(14)
<b>Total Income</b>	<b>(26,695)</b>	<b>(28,673)</b>	<b>(30,307)</b>	<b>(32,381)</b>	<b>(34,830)</b>	<b>(37,415)</b>
<b>Expenditure</b>						
Employee Costs	2,905	2,934	2,974	3,015	3,056	3,086
Repair Costs	8,243	8,738	9,000	9,270	9,548	9,826
Void Rents	468	556	588	628	676	724
Bad Debt Provision	610	767	812	868	934	1,000
Operating Payments	1,142	1,242	1,142	1,142	1,142	1,142
Transfer Payments	584	584	584	584	584	584
Internal Recharges	2,589	2,715	2,742	2,769	2,796	2,824
Debt Charges	9,750	9,515	10,333	11,461	13,088	14,595
<b>Total Expenditure</b>	<b>26,291</b>	<b>27,051</b>	<b>28,175</b>	<b>29,737</b>	<b>31,824</b>	<b>33,781</b>
<b>Management of Balances</b>						
Opening (Surplus) / Deficit	(7,253)	(2,962)	(1,090)	(1,222)	(1,366)	(1,573)
Capital from current revenue	3,200	2,500	2,000	2,500	2,800	3,500
(Surplus)/ Deficit for Year	(404)	(1,622)	(2,132)	(2,644)	(3,006)	(3,634)
Transfer to General Services	1,495	995	-	-	-	-
<b>Closing (Surplus) / Deficit</b>	<b>(2,962)</b>	<b>(1,090)</b>	<b>(1,222)</b>	<b>(1,366)</b>	<b>(1,573)</b>	<b>(1,707)</b>
<b>Capital Expenditure</b>						
Modernisation/Extensions	10,933	11,297	11,297	11,998	12,118	12,239
New Affordable Housing	10,881	10,120	14,856	21,925	16,615	21,710
Fees	-	1,254	1,288	1,322	1,358	1,395
Mortgage to Rent	695	750	769	788	808	828
<b>Total</b>	<b>22,509</b>	<b>23,421</b>	<b>28,210</b>	<b>36,033</b>	<b>30,899</b>	<b>36,172</b>

<b>Cumulative spend 2017/18 to 2012/22</b>	
	58,949
	85,226
	6,617
	3,942
	<b>154,734</b>

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	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000
<b>HRA Income</b>						
<b>House Rents</b>						
Rent income adjustments relating to rent increases, house building and RTB sales	(1,580)	(1,907)	(1,618)	(2,033)	(2,395)	(2,530)
<i>Changes as result of RTB sales and rent increases</i>						
<b>Garage Rents</b>						
Rent income adjustments relating to rent increases	(21)	(57)	(22)	(23)	(25)	(26)
<i>Changes as result of rent inceases</i>						
<b>Service Charges</b>						
Income adjustments relating to service charge adjustments	-	(23)	(24)	(25)	(27)	(27)
<i>Changes as result of recharge adjustments</i>						
<b>Other Income</b>						
Homeless Rents	(1)	(1)	(1)	(1)	(1)	(1)
<b>Interest</b>						
Interest on accumulated balances	(34)	10	31	8	(1)	(1)
<i>Internal interest received</i>						
<b>TOTAL</b>	<b>(1,636)</b>	<b>(1,978)</b>	<b>(1,634)</b>	<b>(2,074)</b>	<b>(2,449)</b>	<b>(2,585)</b>
<b>HRA Expenditure</b>						
<b>Staffing</b>						
General Inflation Increase	28	29	29	30	30	30
<i>Increase in line with assessed inflation rate</i>						
Increase in LGPS Contribution Rates	-	-	11	11	11	-
<i>Increase in contribution rates from 20.4% to 20.9% from April 2018, 21.4% from April 2019 and 21.9% from April 2020</i>						
Introduction of Single Tier State Pension	33	-	-	-	-	-
<i>Increase in employer NIC charges as result of introduction of single tier state pension</i>						
	61	29	40	41	41	30
<b>Repairs</b>						
General Inflation Increase	82	495	262	270	278	278
<i>Increase in line with assessed inflation rate</i>						
	82	495	262	270	278	278
<b>Void Rents</b>						
Rent adjustments relating to RTB sales and rent increases	(66)	88	32	40	48	48
<i>Changes as result of RTB sales and rent inceases</i>						
	(66)	88	32	40	48	48

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	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000	£000	£000	£000	£000	£000
<b>Bad Debts</b>						
Rent adjustments relating to RTB sales and rent increases <i>Changes as result of RTB sales and rent inceases</i>	88	157	45	56	66	66
	88	157	45	56	66	66
<b>Operating Expenses</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	13	-	-	-	-	-
Low cost home ownership <i>Consultant cost to explore new models to support low cost home ownership</i>	-	100	(100)	-	-	-
	13	100	(100)	-	-	-
<b>Transfer payments</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	6	-	-	-	-	-
	6	-	-	-	-	-
<b>Internal Recharges</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	24	26	27	27	27	28
Increase in staffing levels to mitigate impact of rent arrears	-	100	-	-	-	-
	24	126	27	27	27	28
<b>Debt Charges</b>						
Debt Charges <i>In year changes in debt repayments</i>	855	(235)	818	1,128	1,627	1,507
	855	(235)	818	1,128	1,627	1,507
<b>Transfer to General Services</b>						
Change in transfer to General Services	500	(500)	(995)	-	-	-
<b>TOTAL</b>	(73)	(1,718)	(1,505)	(512)	(362)	(628)