

**RENT PROPOSALS 2022/23 – 2026/27  
LABOUR ADMINISTRATION AMENDMENT**

**ANALYSIS OF CHANGE BETWEEN LABOUR ADMINISTRATION DRAFT HRA PROPOSALS AS PER CABINET 26 JANUARY 2022 AND LABOUR ADMINISTRATION AMENDMENT**

**AMENDMENTS MADE BY LABOUR ADMINISTRATION GROUP**

HRA Revenue

Youth Work

**JOINT AMENDMENTS MADE BY LABOUR ADMINISTRATION GROUP & SNP GROUP**

Housing Capital Expenditure

Modernisation / Extensions

Energy Efficiency Fund

HRA Revenue

Housing Management System

LABOUR ADMINISTRATION HRA BUDGET PROPOSALS 2022/23 TO 2026/27 AMENDMENT - COUNCIL MEETING MARCH 2022

	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
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<b>Rent Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>	<b>5.00%</b>
New Homes	74	202	105	142	188	70

<b>BUDGET</b>	£000	£000	£000	£000	£000	£000
<b>Income</b>						
House Rents	(33,063)	(33,195)	(35,724)	(38,087)	(40,693)	(43,696)
Garage Rents	(673)	(669)	(702)	(738)	(774)	(813)
Services/Service Charges	(640)	(627)	(640)	(652)	(665)	(679)
Other Income	(214)	(214)	(216)	(179)	(183)	(186)
Interest	(51)	(6)	(6)	(6)	(6)	(6)
<b>Total Income</b>	<b>(34,641)</b>	<b>(34,711)</b>	<b>(37,288)</b>	<b>(39,662)</b>	<b>(42,321)</b>	<b>(45,380)</b>
<b>Expenditure</b>						
Employee Costs	2,732	2,934	2,995	3,057	3,121	3,187
Repair Costs	10,974	10,989	11,287	11,593	11,866	12,104
Void Rents	688	661	711	758	810	869
Garage Void Rents	140	142	145	148	151	154
Bad Debt Provision	614	332	357	381	407	437
Operating Payments	1,342	1,469	1,416	1,395	1,412	1,440
Transfer Payments	513	540	551	562	573	585
Internal Recharges	4,308	4,408	4,505	4,537	4,638	4,718
Debt Charges	11,091	11,550	12,757	13,614	15,017	16,598
<b>Total Expenditure</b>	<b>32,402</b>	<b>33,025</b>	<b>34,724</b>	<b>36,045</b>	<b>37,995</b>	<b>40,092</b>
<b>Management of Balances</b>						
Opening (Surplus) / Deficit	(1,705)	(1,444)	(1,630)	(1,694)	(2,311)	(2,637)
Capital from current revenue	2,500	1,500	2,500	3,000	4,000	5,000
(Surplus)/ Deficit for Year	(2,239)	(1,686)	(2,564)	(3,617)	(4,326)	(5,288)
<b>Closing (Surplus) / Deficit</b>	<b>(1,444)</b>	<b>(1,630)</b>	<b>(1,694)</b>	<b>(2,311)</b>	<b>(2,637)</b>	<b>(2,925)</b>

<b>Capital Expenditure</b>	£000	£000	£000	£000	£000	£000
Modernisation/Extensions	15,888	11,921	10,885	10,737	10,737	10,737
Energy Efficiency Fund	0	2,500	2,500	2,500	2,500	2,500
New Affordable Council Housing	12,031	26,068	16,374	27,024	25,359	21,900
Fees	1,477	1,410	1,438	1,467	1,496	1,500
Mortgage to Rent	280	280	280	280	280	280
<b>Total</b>	<b>29,676</b>	<b>42,179</b>	<b>31,477</b>	<b>42,008</b>	<b>40,372</b>	<b>36,917</b>

**5 Year Total**

£000
55,017
12,500
116,725
7,311
1,400
<b>192,953</b>

<b>Debt to Income Ratio</b>	<b>32.0%</b>	<b>33.3%</b>	<b>34.2%</b>	<b>34.3%</b>	<b>35.5%</b>	<b>36.6%</b>
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LABOUR ADMINISTRATION HRA BUDGET PROPOSALS 2022/23 TO 2026/27 AMENDMENT - COUNCIL MEETING MARCH 2022

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000	£000
<b>HRA Income</b>						
<b>House Rents</b>						
Rent income adjustments relating to rent increases and new council house additions <i>Changes as result of rent increases and new council housing additions</i>	(375)	(132)	(2,529)	(2,363)	(2,605)	(3,003)
<b>Garage Rents</b>						
Rent income adjustments relating to rent increases <i>Changes as result of rent inceases</i>	(5)	4	(33)	(35)	(37)	(39)
<b>Service Charges</b>						
Income adjustments relating to service charge adjustments <i>Changes as result of recharge adjustments</i>	(16)	13	(13)	(13)	(13)	(13)
<b>Other Income</b>						
Homeless Rents, Renewable Energy Income, Refugee Support-Home Office Funding (funding for this ends in 2023/24)	(43)	-	(2)	37	(4)	(4)
<b>Interest</b>						
Interest on accumulated balances <i>Internal interest received</i>	(1)	45	-	-	-	-
<b>TOTAL</b>	<b>(440)</b>	<b>(70)</b>	<b>(2,577)</b>	<b>(2,374)</b>	<b>(2,659)</b>	<b>(3,059)</b>
<b>HRA Expenditure</b>						
<b>Staffing</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate. This includes additional posts in Year 1 for the Rapid Rehousing Transition programme, the impact of the additional pay award above the 2% budgeted in 2021/22 and the impact of the new 1.25% Social care tax being intoruced in 2022/23..</i>	75	344	206	62	64	66
Orchard System Project Team <i>Orchard System Review project team, incl pay award,superann recharged to capital - due to be completed by the end of 2023/24.</i>	(36)	(142)	(145)	-	-	-
	39	202	61	62	64	66
<b>Repairs</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	423	15	297	306	274	237
	423	15	297	306	274	237
<b>Void Rents</b>						
Rent adjustments relating rent increases and new council house additions <i>Changes as result of rent increases and new council housing additions</i>	36	(25)	53	50	55	63
	36	(25)	53	50	55	63
<b>Bad Debts</b>						
Rent adjustments relating rent increases and new council house additions <i>Changes as result of rent increases and new council housing additions</i>	29	(282)	25	24	26	30
	29	(282)	25	24	26	30
<b>Operating Expenses</b>						
General Inflation increase <i>Increase in line with assessed inflation rate. Includes the costs for replacement housing management system in 2022/23 which will include exploring opportunities for enhanced mobile reporting.</i>	95	127	(54)	(21)	17	28
	95	127	(54)	(21)	17	28
<b>Transfer Payments</b>						
General Inflation increase <i>Increase in line with assessed inflation rate</i>	13	27	11	11	11	11
	13	27	11	11	11	11
<b>Internal Recharges</b>						
General Inflation Increase <i>Increase in line with assessed inflation rate</i>	588	55	97	77	101	80
Youth Work <i>HRA contribution to enhanced youth work in communities in 2022/23 and 2023/24</i>	-	45	-	(45)	-	-
	588	100	97	32	101	80
<b>Debt Charges</b>						
Debt Charges <i>In year changes in debt repayments</i>	214	459	1,207	857	1,403	1,581
	214	459	1,207	857	1,403	1,581
<b>TOTAL</b>	<b>997</b>	<b>553</b>	<b>(880)</b>	<b>(1,053)</b>	<b>(708)</b>	<b>(963)</b>