

Housing Revenue Account - Pressures and Efficiencies 2023/24

Base Budget (5%)

HRA - SUMMARY OF RECURRING INCOME	What we have assumed	Type	Notes
	£m		
Recurring Income			
Rent Inflation	(1.935)	R	Rent increase modelled at 5%
Service Charge Income	0.000	R	Full cost recovery of service charges
Corporate support services recharge	(0.238)	R	Reduction of support services recharged from the Council Fund
Reduction of Bad Debt Provision %	(0.039)	R	Provision reduced in line with recent year's spend
One Year Efficiencies / Pressures Dropping out			
Quality Assurance	(0.021)	N	One-off pressure dropping out
Total Income/Efficiencies	(2.233)		
HRA - SUMMARY OF RECURRING PRESSURES	What we have assumed	Type	Notes
	£m		
Uncontrollable - Recurring Pressures			
Revenue Inflation	0.281	R	Standard Inflation at 3%
Pay Inflation	0.372	R	Pay inflation estimate
Capital Programme Inflation	0.746	R	Capital Inflation at 4.5%
Fleet Inflation	0.150	R	Fleet and Fuel inflation
Communal Heating - Individual sub metering for tenants	0.091	R	Introduction of sub meters - costs including communal spaces and admin
Legal/Insurance costs	0.100	R	Increasing legal and insurance excess costs
Welsh Water withdrawal - loss of commission	0.491	R	Welsh Water withdrawal of commission costs from 1/4/23
Void rent loss % increase; Including Utilities	0.277	R	Forecast at 2.70%
Garage demolition programme	0.053	R	Reduction in Garage rent collected; 55% void
On-Going DRS Software Costs	0.030	R	Previously approved IT Software costs
Digitalisation of Alarms in Sheltered Accommodation	0.353	N	Regulation works - All lines/alarms to be digital end 2025 - 2 year programme
Total Uncontrollable Pressures	2.944		
Controllable			
Service charge cost inflation	0.059	R	Service Charge Freeze for 2023/24
Caretaker service	0.203	R	Service Charge Freeze for 2023/24
Tenant Support Fund	0.250	N	Hardship Funding - initially a 2 year programme of support to tenants facing hardship in response to assurances sought from WG
WHQS programme of Works	1.564	R	Capital programme
Void Costs/Void Standard	0.450	N	Backlog of Voids to bring up to lettable standard - 2 year programme
Total Controllable	2.526		
Total Costs/Pressures	5.470		
Net Pressure/(Efficiency)	3.237		