

CABINET

Date of Meeting	Tuesday 16 February 2021
Report Subject	Housing Revenue Account (HRA) 30 Year Financial Business Plan
Cabinet Member	Cabinet Member for Housing
Report Author	Chief Officer, Housing and Assets
Type of Report	Strategic

EXECUTIVE SUMMARY

The purpose of this report is to present for support and approval the HRA 30 year Financial Business Plan and the HRA Budget for 2021/22.

RECOMMENDATIONS

1	Cabinet to support and approve the HRA budget for 2021/22 as set out in the attached appendices.
2	Cabinet to support and approve the rent increase of up to 0.68% (plus up to £2).
3	Cabinet to support and approve a garage rent increase of £0.20 per week and a garage plot increase of £0.03 per week.
4	Cabinet to support and approve the freezing for one year an increase in Service Charge recovery.
5	Cabinet to support and approve the proposed HRA Capital programme for 2021/22 as set out in Appendix C.

REPORT DETAILS

1.00	EXPLAINING THE HRA BUSINESS PLAN 2021/22 UPDATE
1.01	<p>Considerations</p> <p>The HRA is required to produce a 30 year business plan</p> <p>The strategic context for this year's HRA budget setting includes the following:</p> <ul style="list-style-type: none">• To ensure affordability for tenants is at the core of our considerations;• Continued drive to ensure all service costs are efficient and that value for money can be achieved;• To ensure the treasury management strategy continues to meet the Housing Revenue Account's new and ongoing borrowing requirements;• Setting a balanced budget with a minimum of 4% surplus revenue over expenditure;• Maximisation of revenue efficiencies to minimise the borrowing required to meet Welsh Housing Quality Standards (WHQS) by 2021;• Delivery of new build Council housing.• Continued drive to ensure homes are Energy Efficient and explore Decarbonisation• Provision of adequate ongoing capital to maintain WHQS levels. <p>The draft business plan is set out in Appendix B and the proposed pressures and efficiencies in Appendix D.</p>
1.02	<p>Borrowing</p> <p>The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019, it is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan. Work is ongoing with Welsh Government to develop a set of prudential borrowing indicators to enable transparent monitoring of this going forward.</p> <p>The total HRA prudential borrowing proposed to be undertaken in 2021/22 is £12.538m taking our total anticipated prudential borrowing to £142.884m as at 31st March 2022.</p> <p>All prudential borrowing is repaid in line with the HRA's Minimum Revenue Provision (MRP).</p> <p>The HRA is part of the single debt pool for the Council, all borrowing for the Council is managed within one pool and the average borrowing rate for the Council is applied to all new borrowing in the HRA. The rate assumed in the Business plan is 3.87%.</p>

1.03	<p>Rents</p> <p>In December 2019, Welsh Government released the revised rent policy for a 5 year period commencing financial year 2020/21. The policy is designed to ensure that affordability for tenants is at the core of our considerations and when setting the rent uplift, landlords should consider value for money and the whole cost of living in a property as part of their rationale for setting rents.</p> <p>The Rent Policy for Social Housing Rents sets out the following:</p> <ul style="list-style-type: none"> • An annual rent uplift of up to CPI+1%, for 5 years to 2024/25 using the level of CPI from the previous September each year. September 2020 was 0.5%. • The level of rents for individual tenants can be frozen or rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1% (1.5%). <p>The previous Rent policy also set target rents for each type of property to ensure consistency in rent setting, this has been introduced over a number of years on a transitional basis so that tenants paying under target rent would see no more than inflation plus £2 increase per annum.</p> <p>The recommended option would be to apply an overall uplift of 0.68% to all tenants and, in addition, apply the transitional uplift of £2 to tenants who currently pay at least £3 under target rent. The average rents per property type are set out in Appendix A.</p> <p>This ensures that no individual tenant will pay more than the maximum allowed under the policy but continues to move towards readdressing the disparity between those rents under and those at target rent, seeking to make rent charges to all tenants more equitable.</p> <p>The above recommendation would forecast rental income at £37.384m in 2021/22</p>
1.04	<p>Garage Rents</p> <p>The proposed garage rent increase for 2021/22 is £0.20 per week which takes the garage rent per week to £10.03 (based on 52 weeks), the proposed garage plot increase is £0.03 per week taking the garage plot rent to £1.63 per week.</p> <p>The business plan anticipates income levels of £0.464m for garage and garage plots.</p>
1.05	<p>Service Charges</p> <p>The rent and service charge policy was introduced by Welsh Government in 2015 and expected all Local Housing Associations (LHA's) to be achieving full cost recovery. This position is consistent with the Councils overarching position which seeks to recover costs for those eligible services it provides to its customers. In relation to this the HRA has been working towards a full</p>

	<p>cost recovery position for those services subject to a service charge and a transition plan has been in place to ensure that this is achieved.</p> <p>In 2020/21 weekly service charges were increased based on a stepped approach over a two year period with the final phase of the increase to be implemented in 2021/22. It is proposed to delay this final increase and freeze service charges next financial year. The aim of this course of action is to protect tenants who will be experiencing financial difficulty as a result of the pandemic as well as undertaking further work to ensure those services currently subject to service charges are of a high standard and represent value for money.</p>
1.06	<p>Capital Programme The total proposed capital programme for 2021/22 is £34.835m, summarised in Appendix C.</p> <p>Welsh Government have agreed a one year extension to the Welsh Housing Quality Standard beyond the 2020 deadline for all stock retaining social landlords who have not been able to finalise programmes due to Covid-19. The business plan reflects the revised completion date of WHQS following the granting of the extension.</p> <p>Estate Remodelling capital investment has also been introduced for 2021/22.</p> <p>Revised WHQS Welsh Government are currently developing the revised standard for WHQS and it is expected that this will not commence until January 2022 at the earliest.</p> <p>The expectation is that there will be two areas of significant change</p> <ul style="list-style-type: none"> Affordable warmth and carbon reduction Measurement and reporting <p>Welsh Government recommend that this is flagged as a developing area and that options are considered in our sensitivity analysis when developing future plans.</p> <p>SHARP £14.052m has been built into the 2021/22 plan for new Council housing. The programme currently has 8 schemes which will provide an additional 71 properties. One of the pipeline schemes is working in partnership with the Homelessness team to provide much needed Homeless accommodation. The business plan also assumes 50 units of new housing will be delivered each year.</p> <p>From 2021/22 Welsh Government will offer Social Housing Grant (SHG) to stock owned authorities calculated using a new Standard Viability Model. The new Model uses standard assumptions to discount income and costs over a set period to calculate the funding gap i.e. the grant allowable for each scheme. The pipeline schemes within the Business Plan have</p>

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1.07	<p>Capital Funding The £34.835m capital programme will be funded by:-</p> <table border="1"> <thead> <tr> <th>WHQS & Asset Investment Funding</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Revenue Contribution (CERA)</td> <td>13.167</td> </tr> <tr> <td>Major Repairs Allowance</td> <td>5.065</td> </tr> <tr> <td>Energy Efficiency Feed in Tariff</td> <td>0.275</td> </tr> <tr> <td>Commuted Sums</td> <td>0.074</td> </tr> <tr> <td>Prudential Borrowing</td> <td>2.202</td> </tr> <tr> <td>Total</td> <td>20.783</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>New Build Funding</th> <th>£m</th> </tr> </thead> <tbody> <tr> <td>Prudential Borrowing</td> <td>10.336</td> </tr> <tr> <td>Capital Receipts</td> <td>3.716</td> </tr> <tr> <td>Total</td> <td>14.052</td> </tr> </tbody> </table>	WHQS & Asset Investment Funding	£m	Revenue Contribution (CERA)	13.167	Major Repairs Allowance	5.065	Energy Efficiency Feed in Tariff	0.275	Commuted Sums	0.074	Prudential Borrowing	2.202	Total	20.783	New Build Funding	£m	Prudential Borrowing	10.336	Capital Receipts	3.716	Total	14.052
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1.08	<p>Reserves There is a requirement to hold a minimum level of reserves of 3% of expenditure. As the level of financial risk in the HRA is rising due to increased borrowing levels for new build it is recommended that the HRA moves to 4% as a prudent reserve level. This equates to £205.00 per unit.</p> <p>It is also recommended that this is reviewed yearly in line with the HRA's proposed borrowing commitments and prudential debt indicators.</p>																						

2.00	RESOURCE IMPLICATIONS
2.01	The HRA is a ring fenced budget. This HRA budget and Business Plan demonstrates that the council can achieve the WHQS by 2021, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2021.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	All households will benefit from the Councils WHQS programme. The impact of the investment planning and efficiencies is being modelled for various customer groups to ensure that there is no disproportionate impact on any groups with protected characteristics.
3.02	The Business Plan assumes a Welsh Government allocation of Major

	Repairs Allowance (MRA) for 2021/22 and beyond, however, Welsh Government have indicated that the purpose of the funding will be reviewed in the future.	
3.03	The potential impact of BREXIT on interest rates and inflation has been mitigated by increasing the estimated assumptions included in the business plan.	
3.04	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	Positive – There is a commitment to increase supply to provide the right types of homes in the right location.
	Prevention	Positive – It is our aim to provide support to ensure people live and remain in the right type of home.
	Integration	Positive - Achieving WHQS for all existing council houses and delivering new social housing will contribute to the integration within communities.
	Collaboration	Positive - To deliver in partnership with stakeholders to support positive impacts for all our tenants.
	Involvement	Positive - Communication with tenants, Members and other stakeholders.
	Well-being Goals Impact	
	Prosperous Wales	Positive – Existing social homes are WHQS compliant and meet the changing housing needs. Also Providing good quality new social homes aiming for low/zero carbon. Maximising local employment and training opportunities for local people.
	Resilient Wales	Positive – Developing low / zero carbon homes through modern methods of construction and technologies. Ensuring that all statutory compliance requirements are adhered to.
	Healthier Wales	Positive – Ensuring all existing homes and new homes are fit for purpose and meet the needs of all people.
	More equal Wales	Positive - Provide good quality homes for the most vulnerable people in society.
	Cohesive Wales	Positive – Contributing to attractive, viable and safe communities
	Vibrant Wales	Positive – Ensuring all communities housing needs are supported
	Globally responsible Wales	Positive – The HRA Business Plan will

		contribute to the improvement of the economic, social, environmental and cultural wellbeing of Wales.	
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4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Detailed consultation has been undertaken with tenants and elected members to inform the preparation of the WHQS investment programme.
4.02	Full local consultation is carried out for each new build scheme.
4.03	The Housing Revenue Account (HRA) 30 Year Financial Business Plan was presented to Community Housing and Assets Overview and Scrutiny Committee on the 20 th January 2021, committee supported the report.

5.00	APPENDICES
5.01	Appendix A – Summary HRA Rent Charges 2021/22.
5.02	Appendix B – Draft 30 Year HRA Financial Business Plan Summary.
5.03	Appendix C – Draft Capital Programme 2021/22.
5.04	Appendix D – Draft Pressures and Efficiencies 2021/22.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Neal Cockerton, Chief Officer (Housing & Assets) Telephone: 01352 702500 E-mail: neal.cockerton@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	Financial Year: the period of 12 months commencing on 1 April 2021 Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure. Capital expenditure: money spent by the organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.

Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.

Treasury Management: the Council has adopted the Chartered Institute of Public Finance Accountants (CIPFA) Treasury Management in the Public Services: Code of Practice. Treasury Management is conducted in accordance with the Council's Treasury Management Policy and Strategy Statement and Treasury Management Practices which are both reviewed annually. All borrowing and long term financing is made in accordance with CIPFA's Prudential Code.

Major Repairs Allowance: Welsh Government grant paid to local authorities in Wales who still manage and maintain their council housing.

Appendix A

HRA Proposed Average Rent Charges		2021/22			
Property Type	No. of Properties	Target Rent 21/22	Proposed Average 21/22 Transitional Rent	Average Variance to Target Rent	
G1Bedsit	22	£ 73.19	£ 72.00	£ (1.19)	
G1bungalow	12	£ 91.00	£ 88.52	£ (2.48)	
G1Flat	159	£ 82.34	£ 80.96	£ (1.38)	
GNB1Apartment	20	£ 86.45	£ 86.03	£ (0.43)	
G1House	3	£ 91.00	£ 81.17	£ (9.84)	
G2Bungalow	3	£ 101.11	£ 98.48	£ (2.63)	
GNB2Bungalow	8	£ 106.17	£ 105.31	£ (0.87)	
G2Flat	309	£ 91.48	£ 89.97	£ (1.52)	
GNB2Apartment	20	£ 96.06	£ 95.41	£ (0.65)	
G2House	703	£ 101.11	£ 98.11	£ (3.01)	
GNB2House	68	£ 106.17	£ 104.41	£ (1.76)	
G2Maisonette	9	£ 91.48	£ 90.07	£ (1.41)	
G3Bungalow	4	£ 111.23	£ 109.17	£ (2.06)	
G3Flat	34	£ 100.63	£ 98.54	£ (2.09)	
G3Maisonette	1	£ 100.63	£ 99.00	£ (1.63)	
G3House	3,110	£ 111.23	£ 106.03	£ (5.20)	
GNB3House	32	£ 116.79	£ 114.99	£ (1.80)	
G4House	136	£ 121.34	£ 113.65	£ (7.69)	
GNB4House	1	£ 127.40	£ 127.40	£ (0.00)	
G5House	5	£ 131.45	£ 121.01	£ (10.44)	
G6House	6	£ 138.02	£ 127.33	£ (10.70)	
M1Mini Group Bungalow	299	£ 91.00	£ 88.98	£ (2.03)	
M1Mini Group Flat	115	£ 82.34	£ 81.00	£ (1.34)	
M2Mini Group Bungalow	94	£ 101.11	£ 98.29	£ (2.83)	
M2Mini Group Flat	24	£ 91.48	£ 89.78	£ (1.70)	
M3Mini Group Bungalow	1	£ 111.23	£ 109.43	£ (1.80)	
S1Sheltered Bedsit	64	£ 73.19	£ 72.11	£ (1.08)	
S1Sheltered Bungalow	848	£ 91.00	£ 89.01	£ (1.99)	
S1Sheltered Flat	322	£ 82.34	£ 80.99	£ (1.34)	
S1Sheltered House	1	£ 91.00	£ 89.53	£ (1.47)	
S2Sheltered Bungalow	512	£ 101.11	£ 97.69	£ (3.42)	
SNB2Sheltered Bungalow	4	£ 106.17	£ 106.17	£ (0.00)	
S2Sheltered Flat	305	£ 91.48	£ 89.99	£ (1.49)	
S2Sheltered House	1	£ 101.11	£ 96.66	£ (4.45)	
S2Wardens Bungalow	3	£ 101.11	£ 99.47	£ (1.64)	
S2Wardens Flat	4	£ 91.48	£ 89.99	£ (1.49)	
S2Wardens House	1	£ 101.11	£ 99.62	£ (1.49)	
S3Sheltered Bungalow	2	£ 111.23	£ 108.90	£ (2.33)	
S3Wardens Bungalow	15	£ 111.23	£ 102.08	£ (9.14)	
S3Wardens Flat	1	£ 100.63	£ 99.00	£ (1.63)	
S3Wardens House	20	£ 111.23	£ 107.02	£ (4.21)	
S4Wardens Flat	1	£ 109.78	£ 108.00	£ (1.78)	
SO3Shared Ownership Houses	12	£ 111.23	£ 106.03	£ (5.20)	
Total	7,314	£ 101.66	£ 98.05	£ (3.61)	

Note

G = General Need

GNB = General Needs New Build

S = Sheltered

M = Mini Group (over 55s with no warden service)

SO = Shared Ownership - pro rata to % of ownership

The number equates to the number of bedrooms the property has for example a G3house is a general need 3 bed house.

HRA Business Plan | Flintshire County Council
Operating Account

		Income							Expenditure					Net Cost of HRA Services		Surplus / (Deficit) in Year on HRA Services			Surplus / (Deficit) for the Year		HRA Surplus / (Deficit) b/f		HRA Surplus / (Deficit) c/f	
Year	Year	Rental Income £'000	Void Losses £'000	Non-Dwelling Rents £'000	Charges For Services £'000	SP Grant £'000	Other Income £'000	Total Income £'000	S&M - General £'000	Responsive & Cyclical £'000	Debt Mgmt Expenses £'000	Bad Debts £'000	Total Expenditure £'000	Net Cost of HRA Services £'000	Interest Charges £'000	Repayment of Arranged Loans £'000	CERA £'000	Surplus / (Deficit) for the Year £'000	HRA Surplus / (Deficit) b/f £'000	HRA Surplus / (Deficit) c/f £'000				
1	2021/22	37,384	-799	464	350	194	476	38,069	-6,203	-10,430	-47	-788	-17,468	20,600	-5,339	15,261	-2,660	-13,166	-565	2,008	1,443			
2	2022/23	38,594	-821	473	380	194	476	39,296	-6,168	-10,675	-47	-768	-17,658	21,638	-5,592	16,046	-2,858	-10,755	2,434	1,443	3,877			
3	2023/24	39,599	-841	275	387	194	476	40,090	-6,240	-10,847	-47	-787	-17,921	22,169	-5,767	16,403	-2,922	-11,076	2,405	3,877	6,282			
4	2024/25	41,440	-880	287	395	194	476	41,912	-6,318	-11,024	-47	-824	-18,213	23,699	-5,991	17,707	-3,038	-11,405	3,265	6,282	9,546			
5	2025/26	41,771	-887	287	403	194	476	42,244	-6,496	-11,266	-48	-830	-18,641	23,602	-6,216	17,387	-3,154	-11,571	2,662	9,546	12,208			
6	2026/27	42,898	-910	292	411	194	476	43,361	-6,628	-11,514	-49	-853	-19,044	24,317	-6,439	17,878	-3,270	-11,909	2,699	12,208	14,907			
7	2027/28	44,054	-934	298	419	194	476	44,507	-6,789	-11,766	-50	-876	-19,482	25,025	-6,663	18,363	-3,385	-12,254	2,723	14,907	17,630			
8	2028/29	45,238	-959	304	428	194	476	45,681	-6,953	-12,025	-51	-899	-19,929	25,752	-6,885	18,867	-3,500	-12,606	2,761	17,630	20,391			
9	2029/30	46,453	-985	310	436	194	476	46,885	-7,122	-12,289	-52	-923	-20,386	26,498	-7,107	19,392	-3,615	-12,965	2,811	20,391	23,202			
10	2030/31	48,601	-1,030	321	445	194	476	49,007	-7,323	-12,558	-53	-966	-20,901	28,105	-7,329	20,777	-3,730	-13,426	3,621	23,202	26,824			
11	2031/32	48,813	-1,034	323	454	194	476	49,226	-7,455	-12,822	-55	-970	-21,302	27,924	-7,442	20,482	-3,844	-13,886	2,751	26,824	29,574			
12	2032/33	49,789	-1,055	329	463	194	476	50,197	-7,604	-13,078	-56	-990	-21,728	28,469	-7,448	21,021	-3,848	-14,465	2,708	29,574	32,283			
13	2033/34	50,785	-1,076	336	472	194	476	51,187	-7,756	-13,340	-57	-1,010	-22,163	29,025	-7,376	21,648	-3,851	-14,932	2,866	32,283	35,149			
14	2034/35	51,801	-1,097	342	482	194	476	52,197	-7,912	-13,607	-58	-1,030	-22,606	29,592	-7,229	22,363	-3,774	-15,410	3,180	35,149	38,329			
15	2035/36	53,837	-1,141	355	491	194	476	54,212	-8,104	-13,879	-59	-1,070	-23,112	31,100	-7,084	24,016	-3,698	-15,693	4,625	38,329	42,954			
16	2036/37	53,894	-1,142	356	501	194	476	54,279	-8,231	-14,156	-60	-1,071	-23,519	30,760	-6,942	23,818	-3,624	-16,189	4,005	42,954	46,959			
17	2037/38	54,971	-1,165	363	511	194	476	55,351	-8,396	-14,439	-61	-1,093	-23,989	31,362	-6,804	24,558	-3,552	-16,696	4,310	46,959	51,269			
18	2038/39	56,071	-1,188	371	521	194	476	56,445	-8,564	-14,728	-63	-1,115	-24,469	31,976	-6,668	25,308	-3,481	-17,215	4,612	51,269	55,882			
19	2039/40	57,192	-1,212	378	532	194	476	57,561	-8,735	-15,023	-64	-1,137	-24,959	32,602	-6,534	26,068	-3,411	-17,746	4,910	55,882	60,792			
20	2040/41	58,336	-1,236	386	542	194	476	58,698	-8,949	-15,323	-65	-1,160	-25,497	33,201	-6,403	26,798	-3,343	-18,290	5,165	60,792	65,957			
21	2041/42	60,629	-1,285	400	553	194	476	60,967	-9,088	-15,630	-67	-1,205	-25,989	34,978	-6,275	28,702	-3,276	-18,762	6,664	65,957	72,621			
22	2042/43	60,693	-1,286	401	564	194	476	61,043	-9,270	-15,942	-68	-1,207	-26,486	34,556	-6,150	28,406	-3,210	-19,481	5,715	72,621	78,336			
23	2043/44	61,907	-1,311	409	576	194	476	62,250	-9,455	-16,261	-69	-1,231	-27,016	35,234	-6,027	29,207	-3,146	-19,977	6,084	78,336	84,420			
24	2044/45	63,145	-1,338	417	587	194	476	63,482	-9,644	-16,586	-71	-1,255	-27,556	35,925	-5,906	30,019	-3,083	-20,483	6,452	84,420	90,872			
25	2045/46	64,408	-1,364	426	599	194	476	64,738	-9,883	-16,918	-72	-1,280	-28,153	36,585	-5,788	30,797	-3,022	-20,749	7,026	90,872	97,898			
26	2046/47	65,696	-1,392	434	611	194	476	66,019	-10,034	-17,256	-73	-1,306	-28,670	37,350	-5,672	31,677	-2,961	-21,271	7,445	97,898	105,343			
27	2047/48	68,278	-1,447	450	623	0	476	68,380	-10,234	-17,601	-75	-1,358	-29,268	39,112	-5,559	33,553	-2,902	-21,803	8,848	105,343	114,191			
28	2048/49	68,350	-1,448	452	635	0	476	68,465	-10,439	-17,954	-76	-1,359	-29,828	38,637	-5,448	33,189	-2,844	-22,346	7,999	114,191	122,190			
29	2049/50	69,717	-1,477	461	648	0	476	69,825	-10,648	-18,313	-78	-1,386	-30,424	39,401	-5,339	34,062	-2,787	-22,900	8,375	122,190	130,565			
30	2050/51	71,111	-1,506	470	661	0	476	71,212	-10,914	-18,679	-79	-1,414	-31,086	40,126	-5,232	34,894	-2,731	-23,465	8,698	130,565	139,264			
31	2051/52	72,534	-1,537	479	674	0	476	72,627	-11,078	-19,052	-81	-1,442	-31,654	40,973	-5,127	35,846	-2,677	-29,381	3,788	139,264	143,052			
32	2052/53	75,384	-1,597	497	688	0	476	75,448	-11,300	-19,433	-83	-1,499	-32,315	43,133	-5,025	38,108	-2,623	-30,256	5,229	143,052	148,280			
33	2053/54	75,464	-1,599	499	702	0	476	75,542	-11,526	-19,822	-84	-1,500	-32,932	42,609	-4,924	37,685	-2,571	-30,861	4,253	148,280	152,533			
34	2054/55	76,973	-1,631	509	716	0	476	77,043	-11,756	-20,219	-86	-1,530	-33,591	43,452	-4,826	38,626	-2,519	-31,479	4,628	152,533	157,161			
35	2055/56	78,513	-1,663	519	730	0	476	78,574	-11,991	-20,623	-88	-1,561	-34,263	44,311	-4,729	39,582	-2,469	-31,803	5,311	157,161	162,472			
36	2056/57	80,083	-1,696	529	744	0	476	80,136	-12,231	-21,035	-90	-1,592	-34,948	45,188	-4,635	40,553	-2,420	-32,439	5,695	162,472	168,167			
37	2057/58	81,685	-1,730	540	759	0	476	81,729	-12,476	-21,456	-91	-1,624	-35,647	46,082	-4,542	41,540	-2,371	-33,087	6,082	168,167	174,248			
38	2058/59	83,318	-1,765	551	775	0	476	83,354	-12,725	-21,885	-93	-1,656	-36,360	46,994	-4,451	42,543	-2,324	-33,749	6,470	174,248	180,719			
39	2059/60	86,593	-1,835	571	790	0	476	86,595	-12,980	-22,323	-95	-1,722	-37,119	49,475	-4,362	45,113	-2,277	-34,424	8,412	180,719	189,130			
40	2060/61	86,684	-1,836	573	806	0	476	86,703	-13,239	-22,769	-97	-1,723	-37,829	48,874	-4,275	44,599	-2,232	-35,113	7,254	189,130	196,385			

HRA Capital Programme 2021/22

Appendix C

HRA Capital Programme	£'m
Investment Works	
Renewables / Alternative Technology	0.510
	0.510
WHQS	
Internal Works	5.818
Envelope Works	8.786
Externals	0.888
Total WHQS	15.493
Non WHQS	
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.114
Asbestos	0.561
Fire Risk Assessments Work	0.541
General DDA Work	0.185
	2.401
Fees	
Capitalised salaries	1.037
	1.037
Regeneration of stock	
Estate remodelling	1.342
	1.342
	20.783
SHARP Programme	
Anticipated spend in 21/22	14.052
Total SHARP Programme	14.052
Total Capital Spend	34.835

HRA Business Planning 21/22

Efficiencies/Use of one off funding

No	Section	Description	Recurring/ One Off	2021/22 £m	Narrative
1	All - Salaries	Change in pension costs	Recurring	(0.201)	Following Actuarial review 4% SuperAnn reduction
2	Repairs and Maintenance	Introduction of Job Scheduling for Responsive Repairs	Recurring	(0.038)	Efficiencies secured through maximising trades time
4	Landlord Services	Reduction in servicing costs	Recurring	(0.018)	Reduction in expected costs for 21.22
		Total Efficiencies to HRA		(0.257)	

Cost Pressures

No	Section	Description	Recurring/ Non-recurring	2021/22 £m	Narrative
1	All - Salaries	Increase in basic pay	Recurring	0.060	2.75% pay increase
2	Estate Management	Arrears Management Software	Recurring	0.065	New budget provision
3	Landlord Services	Streetscene Garden Contract	Recurring	0.030	Management fee for Streetscene
4	Management & Support	Health and Safety Officer	Recurring	0.053	Specific Housing support required
5	Rents	Water void costs	Recurring	0.067	Increase in budget to align with actual spend
6	Rents	Void rate at 2%	Recurring	0.066	BP void rate 1.75%, increase to 2% to reflect current trend
7	Rents	Garage voids	Recurring	0.053	Increase voids rate from 33% to 40%
8	Rents	Service charges held at 20.21 rates	One-off	0.068	A freeze in service charge increases for 1 year
9	Rents	Reduction in water commission	Recurring	0.042	Reduction in water commission fro HelpU tenants
10	Repairs and Maintenance	Technical Support	Recurring	0.028	Business case completed
11	Repairs and Maintenance	Initial IT costs - Job Scheduling	One-Off	0.074	Invest to Save
12	Repairs and Maintenance	Job Scheduling annual charges	Recurring	0.004	Annual licence/maintenance costs
		Total pressures to HRA		0.550	
		Net Revenue Pressure 2021/22		0.293	