

### HOUSING REVENUE ACCOUNT BUDGET AND HOUSING PUBLIC SECTOR CAPITAL EXPENDITURE PROGRAMME 2024/25

#### 1. RECOMMENDATIONS

- 1.1 That Cabinet recommends to Council the HRA budget and housing public sector capital expenditure programme for 2024/25, as follows:
- i) that from 01 April 2024, an increase in rents of 7.7% from the 2023/24 weekly rent level, in accordance with Government guidelines, be agreed.
  - ii) that from 01 April 2024, an increase in garage rents of 15% from the 2023/24 weekly rent level be agreed.
  - iii) that from 01 April 2024, an increase in shared ownership property rents of 9.4% from the 2023/24 weekly rent level, in accordance with Government guidelines of RPI +0.5%, be agreed, and that the weekly rent of one additional property sold under previous legislation be increased by 7.7%.
  - iv) that from 01 April 2024 the new disaggregated approach to Service charges, which will reflect transparent and up to date annual charges for all eligible communal and domestic charges incurred by the Council, be agreed.
  - v) that the HRA budget, as set out in **Appendix 1** of this report, be agreed.
  - vi) that a Housing Capital Programme to 2026/27, as set out in **Appendix 4**, be agreed.

#### 2. INTRODUCTION

- 2.1 This report sets out the proposed Housing Revenue Account (HRA) budget, the proposed rent levels and other charges, the maintenance programme and a proposed Housing Public Sector Capital Programme for 2024/25 – 2026/27.
- 2.2 The proposed budgets for 2024/25 were considered by tenants on the Tenants Involvement Group on 18 January 2024 and by the Housing and Communities Overview and Scrutiny Panel on 17 January 2024. Their comments are included in Section's 13 and 14 of this report.
- 2.3 The proposed HRA budget is attached as **Appendix 1**, the detailed maintenance programme at **Appendix 2**, the 3-year forecast medium term

financial position at **Appendix 3** and the proposed Capital programme at **Appendix 4**.

### **3. KEY ISSUES**

3.1 Housing Authorities and Registered Providers face on-going challenges to maintain the continuation of high-quality services to their tenants, ensuring that buildings are safe and free from hazards and delivering greater energy efficiency measures in the retrofitting of their stock, as well as delivering more affordable homes. Tenants, too, are facing challenges over rises in the cost of living. The proposal set out below to increase rents in line with the Government's current recommendation is considered to strike the right balance to ensure that the Council continues to provide high quality services to tenants and that the necessary programmes of maintenance and repairs to council housing stock are undertaken, as well as delivering Decarbonisation targets and new affordable council homes in the district.

3.2 Members are asked to consider a number of financial issues for 2024/25.

#### **3.3 Housing Rents**

3.3.1 The proposed budget identifies a social rent increase of 7.7%, in line with the Government's policy rent increase guidelines. It is the fifth increase, following a previous four-year social rent reduction programme. The increase in 2023/24 was capped by the Government at 7.0% (in place of the policy CPI +1% increase of 11.1%).

3.3.2 Following the rent increase, average weekly rents will be £122.47 for 2024/25. The actual increase will vary by property but will amount to an average increase of £8.76 per week.

#### **3.4 Service Charges – Hostels & Flat Accommodation**

3.4.1 Service Charges are currently used by the Council as a method to recover Council Tax and domestic and communal energy costs from tenants where their personal usage costs are charged directly to the Council by the respective billing organisations. Service Charges are also used to recover some aspects of equipment provision, cleaning and communal heating and lighting costs from tenants, which are also incurred in their respective properties.

3.4.2 In February 2023 it was agreed by Cabinet to launch a consultation process with all tenants who pay service charges, which included up to 850 existing tenants who it was proposed to apply charges for communal services they enjoyed but were not currently charged for.

3.4.3 Currently tenants are only able to understand 2 elements of their service charges; a total for communal costs, and a total for domestic energy if applicable. Tenants have no way of understanding how these charges are arrived at, and this currently is a cause for complaint, and

is no longer in keeping with the requirement for landlords to be transparent.

- 3.4.4 It is proposed to disaggregate all applicable Service Charges to ensure full transparency of charges for the cost of each individual service enjoyed by all 1,300 tenants for service costs which could be reasonably recharged to tenants, and also to reflect up to date annual charges for all communal and domestic charges incurred by the Council.
- 3.4.5 Currently it is the situation where those tenants currently paying service charges are not paying for all of the services they receive. These proposed changes recover approximately £200,000 of expenditure not currently recovered.
- 3.4.6 Invites to participate in the consultation were sent to 1,296 tenants with their proposed individual charges for 24/25 included. The Consultation was completed in December 2023 with 123 responses. The findings were as follows:
  - 3.4.6.1 69% of respondents agreed with the proposal to charge all tenants who were in receipt of communal services.
  - 3.4.6.2 76% of respondents agreed with the proposal to disaggregate service charges to highlight the charges for each communal service.
  - 3.4.6.3 67% of respondents agreed with the proposal to charge actual charges borne by the Council.
  - 3.4.6.4 64% of respondents agreed with the proposal to charge tenants for all of the communal services they receive.
- 3.4.7 The impact on tenants is varied. In some cases, the weekly charge is lower than currently charged. This is due to the new transparent approach using actual costs. In most cases the weekly charges increase, within a range from £0.36 to £15.17 (Largely additional cleaning and energy costs). On average charges increase by 8.4% across this group of tenants, with 26% of tenants seeing a decrease in their 24/25 charges.
- 3.4.8 For approximately 800 tenants newly incorporated into the scheme the charges range from £0.39 to £7.16, with the average new charge at £2.93 per week.
- 3.4.9 In the majority of the cases above, the cost of communal charges will be covered by Universal Credit or Housing Benefit where applicable, reducing the impact of the changes. Affordability was not a top concern within the responses to the consultation (coming in 4th out of 7 common themes) - but those tenants who were identified as raising this as a concern were contacted and signposted to support.

### 3.5 **Garage Rents**

3.5.1 It is proposed that garage rent charges are increased in 2024/25 by 15% (£1.81 per week) to £13.90 per week, plus VAT where applicable.

### 3.6 **Planned Maintenance & Improvement Works**

3.6.1 The report proposes total budgetary provision of £12.856 million for planned maintenance and improvement works to houses and estates. This, together with budgetary provision of £4.291 million for reactive maintenance works means that, in total, £17.8 million will be spent on tenant's properties in 2024/25. Details of the proposed works for 2024/25 and an indication of proposals for the following two years are set out in **Appendix 2**.

### 3.7 **Fire Risk Assessment Works**

3.7.1 During 2022/23 and 2023/24 the Council will have spent £5 million on fire safety and statutory compliance matters. Further funding of £1 million has been allocated for 2024/25.

### 3.8 **Decarbonisation Programme**

3.8.1 In 2023/24 work to establish the future upgrade programmes to deliver all homes to EPC C by 2030, and net zero carbon by 2050 were established. Measures required to each home within the Council stock to meet these targets is known and estimated costs applied up to 2050. 2024/25 is considered a transition year where planning the upgrade strategy begins to be overtaken by the delivery of increased retrofit activity. Funding of £2.170 million is proposed to begin works in earnest in 2024/25, but total expenditure up to 2030 is likely to be £15 million, with a further £115 million required to meet net zero targets by 2050.

## 4. **HRA INCOME 2024/25**

4.1 Estimated total income for 2024/25 is £3.634 million higher than the original budget for 2023/24. The income variations from the 2023/24 approved budget are set out below:

	<b>Change £000</b>	<b>Paragraph</b>
Dwelling Rents	(3,169)	4.2
Non – Dwelling Rents	(55)	4.3
Service Charges	(320)	4.4
Other Income	(90)	4.5
<b>Total</b>	<b><u>(3,634)</u></b>	

4.2 **Dwelling Rents (£3.169 million increase)** – The proposed budget for 2024/25 includes the benefits of £2.386 million arising from the proposed 7.7% rent increase, £585,000 from the impact of a 53-week rent year, £79,000 from the revised rent setting policy approved in April 23 and £153,000 from a net

increase in property numbers, including new shared ownership properties, offset by a loss of income of £34,000 due to continuing void levels.

- 4.3 **Non - Dwelling Rents (£55,000 increase)** – This income is derived from garages and rents of other housing land. The overall increase reflects the proposed increase in charges (£97,000) and £12,000 from the impact of a 53-week rent year, offset by a reduction of £54,000 due to the impact of reduced lettings from voids and potential development opportunities on garage sites.
- 4.4 **Service Charges (£320,000 increase)** – The service charges proposals detailed in Section 3 will generate additional income of £202,000, with an additional £57,000 to remedy under recovery of council tax on hostel units, which is eligible for benefits. This together with additional income of £21,000 from a 53 week rent year, and income from new units acquired during 2023/24 will result in total additional income in 2024/25 of £320,000. This income will largely match additional operating costs highlighted in section 5 below.
- 4.5 **Other Income (£90,000 increase)** – Despite utilising reserves to fund the capital programme, interest earnings have increased by £63,000 following an increase in interest rates. The Shared Amenities contribution from the General Fund has increased by £27,000 to cover inflationary increases in costs and increases in expenditure on trees and other estate budgets.

## 5. HRA EXPENDITURE 2024/25

- 5.1 Budgeted operating expenditure for 2024/25 is £1.967 million higher than the approved budget for 2023/24. After allowing for depreciation charges and the removal of transfers from reserves for specific earmarked projects, surplus resources available for making principal repayments on borrowing have increased by £1.517 million to maintain a balanced Housing Revenue Account for the year, as detailed in paragraph 5.8. The major variations are set out below:

	Change £000	Paragraph
Cyclical/Reactive Maintenance	711	5.2
General Management	576	5.3
Grounds Maintenance and Trees	89	5.4
Older Persons and Temporary Accommodation	(24)	5.5
Capital Financing Costs - Interest	615	5.6
Operating Expenditure	<u>1,967</u>	
Contribution to Capital – Supporting Housing Strategy	<u>0</u>	5.7
	1,967	
Capital Financing Costs – Principal	<u>1,517</u>	5.8
<b>Total</b>	<b><u>3,484</u></b>	

- 5.2 **Cyclical/Reactive Maintenance £711,000** – Increased maintenance budgets are principally due to pay and prices increases of £328,000, £305,000 for the

continuation of additional supplies and hired services costs identified and reported during 23/24 and an increase of £200,000 on cyclical maintenance due to the reintroduction of external decorations and cleaning works, offset by net savings of £45,000 from other allocation changes and staff turnover savings.

- 5.3 **General Management £576,000** - Supervision and Management budgets will increase principally due to pay and prices increases of £593,000, £60,000 for a garages' sites survey, a £67,000 increase in the general estates management budget to support neighbourhood initiatives required by the new Social Housing Regulatory regime, and additional council tax costs of £33,000 for general needs housing whilst void repairs are carried out. These increased costs are offset by savings of £72,000 in non-recurring costs included in 2023/24 to meet requirements of the Social Housing Regulation Act and the removal of the two-year £150,000 external stock condition surveyors budget (financed from Reserves).
- 5.4 **Grounds Maintenance and Trees £89,000** – An increase in budgets is principally due to pay and prices increases of £70,000, and an increase of £20,000 in trees maintenance costs.
- 5.5 **Housing Schemes and Temporary Accommodation (£24,000)** – Additional costs are principally due to inflation £23,000, the inclusion of £51,000 Council Tax charges for new temporary accommodation units and £10,000 for the inclusion of equipment replacement costs in temporary accommodation, offset by a reduction of £90,000 in utility bill costs to reflect latest usage and £16k from the reallocation of staff resources.
- 5.6 **Capital Financing Costs Interest £615,000** – Capital Financing costs have increased by £615,000. This is due to interest costs of £265,000 on forecast new borrowing for the proposed capital programme set out in Section 9 of this report, £176,000 interest costs of the 2023/24 capital programme and £285,000 additional interest costs of existing internal borrowing, due to increased interest rates, offset by a reduction of £111,000 in interest costs due to the repayment of the next £4.1 million instalment of the settlement borrowing in March 2024.
- 5.7 **Contribution to Capital - Supporting Housing Strategy** – This budget is the prescribed calculation of dwellings depreciation that needs to be charged to the Housing Revenue Account and is used to part fund the capital programme. The figure is based on a combination of factors including property valuation, component costs and remaining component life. While costs have increased, initial indications are that property values will decrease and therefore no change has been made to the £9.700 million existing depreciation calculation.
- 5.8 **Capital Financing Costs – Principal £1.517 million** – After allowing for any transfers from reserves, the Council is required to set a balanced budget for the year. Increased income of £3.634 million exceeds estimated increased operating expenditure of £1.967 million, increasing the annual amount available for repaying principal on borrowing by £1.517 million. This will enable

the maturing loan of £4.1 million to be repaid during 2024/25 without the need to replace it with new borrowing.

## **6. HRA RESERVE BALANCE**

- 6.1 The HRA Reserve balance as at 1 April 2023 was £1 million. This is considered to be a prudent level and meets with good governance practice.
- 6.2 The original 2023/24 HRA budget showed a net operating deficit position of £150,000 which was to be met from earmarked reserves. A financial update report for the year was presented to Cabinet on 7 February 2024, which included forecast variations to the year end. In accordance with current policy, any surplus or deficit for the year will be balanced by a transfer to or from the Acquisitions and Development Reserve, but assuming a break-even HRA position for the year 2023/24, this will result in a year-end balance of c£5.000 million as at 31 March 2024, after funding the capital programme.
- 6.3 The proposed HRA budget for 2024/25 currently shows a break-even position and therefore the estimated Housing Revenue Account balance (cash reserve) as at 31 March 2024 and 31 March 2025 will be £1 million.

## **7. 30 YEAR BUSINESS PLAN**

- 7.1 The Council, with the assistance of an external consultant produced an initial 30-year HRA business plan, a summary of which was included in the budget report last year. Work continues on producing costings for the Decarbonisation and Major Repairs programmes and once complete this will be included in an updated business plan, which will be used to monitor the long-term implications of budget plans and aspirations.

## **8. CAPITAL PROGRAMME**

- 8.1 The proposed Housing Public Sector capital expenditure programme for 2024/25 totals £32.380 million. The detailed programme and anticipated funding is set out over the page with indicative details for future years in **Appendix 4**.

	<b>Original 2023/24 £000</b>	<b>Latest 2023/24 £000</b>	<b>Original 2024/25 £000</b>
<b>Proposed Expenditure</b>			
Fire Risk Assessment Works	2,000	2,585	1,000
Major Structural Refurbishments	1,000	1,000	1,260
Planned Maintenance & Improvements	6,500	6,300	8,600
Decarbonisation Works	1,260	1,260	2,170
Robertshaw House	500	500	0
Estate Improvements	200	200	200
Disabled Facilities Adaptations	950	1,050	950
Development Strategy	15,200	15,200	18,200
<b>TOTAL</b>	<b>27,610</b>	<b>28,095</b>	<b>32,380</b>
<b>Funded by</b>			
Revenue	9,700	9,700	9,700
Capital Receipts	2,000	2,000	2,000
Acquisitions and Dev. Reserve	2,970	3,044	1,768
Government Grant	3,660	4,091	7,922
Internal Borrowing	1,530	256	0
External Borrowing	7,750	9,004	10,990
<b>TOTAL</b>	<b>27,610</b>	<b>28,095</b>	<b>32,380</b>

- 8.2 Significant works to properties, including compartmentation and new fire doors, are being carried out following detailed Fire Assessment surveys. Funding of £1 million is proposed for 2024/25.
- 8.3 The Authority is holding several properties requiring significant structural refurbishment works, a number of which are currently void. Funding of £1.260 million is proposed to upgrade more of these properties.
- 8.4 The Major Repairs budget has been increased by £1.340 million in 2024/25 to £8.600 million to reflect identified programme needs. Details of the proposed programme are set out in **Appendix 2**.
- 8.5 Funding of £2.170 million is proposed in 2024/25 to begin works in earnest for decarbonisation of the Council's housing stock and take advantage of any government grant funding available as covered in more detail in paragraph 3.8.
- 8.6 The Council's current Housing Strategy and Corporate Plan prioritise the delivery of new affordable housing homes covering the period 2018 - 2026. The proposed capital programme for 2024/25 includes £18.200 million to be invested in additional homes. Expenditure is also expected over the period post 2024/24 through to the end of 2026, which has been accounted for in **Appendix 3** with similar levels of proposed expenditure.



## **9. HRA MEDIUM TERM FINANCIAL POSITION**

- 9.1 Attached at **Appendix 3** is an indication of HRA budgets for two years post 2024/25 and is included to enable decisions for 2024/25 to be made in the context of affordability for the medium term. With the onset of a significant decarbonisation programme and the increasing expenditure required to maintain the aging stock the HRA is placed under significant pressure from 2025/26. Whilst these budgets will be amended in future years, it shows an estimated operating deficit in excess of £1 million. Significant future costs of the Major Repairs Programme and the Decarbonisation requirements will require both revenue and capital programme spend priorities to be reconsidered in accordance with the Corporate Plan priorities.

## **10. ENVIRONMENTAL IMPLICATIONS**

- 10.1 The capital works programme continues to provide more sustainable measures to improve the thermal efficiency of Council housing stock, through more efficient window replacement programmes, insulation, boiler replacements and air source heat pumps. Following the previous work of the Greener Housing Task and Finish Group and the Greener Housing Strategy, the Council is committed to undertaking more sustainable measures year on year to reach the target of all 5,200 properties having a minimum energy efficiency rating of EPC C, which will require in excess of £6 million over the next 3 years to fund the initial phases of the work, and up to a further £9 million by 2030.
- 10.2 In the long-term decarbonisation of the entire stock will begin to take priority over meeting the EPC target, which will require the HRA to fund an additional £115 million of expenditure. This will present significant challenges to the HRA and future priorities and strategic choices will need to be carefully considered. Whilst meeting net zero will require some carbon off-setting in due course the programme will remove several thousand tonnes of carbon emissions each year.
- 10.3 Initially works are targeted at the worst performing properties, which are often off the gas network and in rural areas. As a result, carbon reduction impacts are likely to be higher at the outset of the programme and targeted in specific geographical areas.
- 10.4 All products used in the repair, maintenance and improvement of Council homes are selected to ensure the minimum impact upon the environment, are sourced from recycled materials where possible and at the same time balance the need to improve the energy efficiency of tenants' homes in order to meet the requirement for thermal efficiency under the Decent Homes Standard and meet specified and legal safety standards.

## **11. CRIME AND DISORDER IMPLICATIONS**

- 11.1 Many aspects of work identified in this report will improve the security of tenants' homes.

## **12. EQUALITY AND DIVERSITY IMPLICATIONS**

- 12.1 All equality and diversity implications will be considered at every stage of the process of commissioning and carrying out planned maintenance, improvement and cyclical maintenance works. In addition, any contractor used for works will have been assessed, as part of the process in becoming an approved NFDC contractor, in respect of their adherence to equality and diversity principles.
- 12.2 The HRA funding priorities support the funding and commissioning of necessary works with a view to improving building quality and safety, and the energy efficiency performance of the council stock, which supports vulnerable people reduce household bills at a time of cost of living pressures, and which reduces disrepair and the exposure to damp and mould tackling health and housing inequalities.
- 12.3 The Tenancy Account Team, which incorporates a dedicated support worker, will continue to support and signpost tenants experiencing difficulties paying their rents, working collaboratively with community support networks.
- 12.4 The continued support for the development and acquisitions programme in 2024/25 addresses housing need issues and increases the supply of properties in where there is high demand for social housing, and which supports the Council's aims of tackling homelessness in vulnerable communities.
- 12.5 The continued support for the funding of Disabled Facilities Grants in the Council Owned stock support vulnerable and disabled tenants to remain in their own homes or provides suitable alternative housing options for applicants and existing tenants whose needs cannot be met by their existing accommodation.

## **13. TENANTS' VIEWS**

- 13.1 The members of the Tenant Involvement Group (TIG) have been able to properly consider and scrutinise the HRA proposal and are confident that this has been well thought out and judiciously considered.
- 13.2 The TIG acknowledge the challenging position both tenants and NFDC find themselves in with cost of living and financial pressures hitting everyone. However, the TIG feel that the right balance has been struck within the proposed HRA budget, which is both sensible and not unreasonable.
- 13.3 Whilst allowed and dictated by central Government, the 7.7% rent increase is quite high. But the TIG consider this essential to enable NFDC to deliver on its commitments to tenants and to ensure homes are safe, well maintained, and meeting the required standards. The TIG also welcome the significant time taken to enable fair and transparent service charge administration.

- 13.4 It is important that tenants who are in financial difficulties are made aware of the support available to them, such as discretionary housing payments, and that those tenants who engage with the council regarding financial concerns are listened to and worked with.
- 13.5 We, as the TIG, look forward to continuing to monitor the performance of the Council and feedback from tenants to hold the organisation to account regarding the delivery of communal services.

#### **14. HOUSING AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL COMMENTS**

- 14.1 The Panel endorsed the recommendations contained in the report for approval. The proposed rental increase of 9.4% for Shared Ownership was questioned, recognising that any rent increase combined with the cost of living crisis and interest rate rises might have a negative impact on the affordability for the owners / tenants. Members also noted that 75% of social rent tenants were in receipt of either Universal Credit or Housing Benefit and therefore the proposed rent increase would not have an impact on them.

#### **15. PORTFOLIO HOLDER COMMENTS**

- 15.1 I am pleased to support this comprehensive update on the health of the HRA. Maintaining sound finances enables continued and good quality accommodation and services for our tenants.
- 15.2 This report provides confidence that our Housing priorities are suitably funded to help prepare for our future challenges, including the transition to more energy efficient housing.
- 15.3 My gratitude as always to the Housing team and members of the Housing and Communities O&S panel and the Tenant Involvement Group for their support.

#### **For Further Information Please Contact:**

Alan Bethune  
Strategic Director Corporate Resources and Transformation  
Section 151 Officer  
023 8028 5001  
Email: [alan.bethune@nfdc.gov.uk](mailto:alan.bethune@nfdc.gov.uk)

Richard Knott  
Assistant Director Housing  
023 8028 5242  
Email: [Richard.knott@nfdc.gov.uk](mailto:Richard.knott@nfdc.gov.uk)

Kevin Green  
Finance Service Manager  
023 8028 5067  
Email: [kevin.green@nfdc.gov.uk](mailto:kevin.green@nfdc.gov.uk)

#### **Background Papers:**

Published documents as referred to within this report.

## APPENDIX 1

### HOUSING REVENUE ACCOUNT BUDGET

	2023/24 £'000	2024/25 £'000	Variation £'000	Para
<b>INCOME</b>				
Dwelling Rents	-30,227	-33,396	-3,169	4.2
Non Dwelling Rents	-720	-775	-55	4.3
Charges for Services & Facilities	-849	-1,169	-320	4.4
Contributions towards Expenditure	-60	-60	0	4.5
Interest Receivable	-378	-441	-63	4.5
Sales Administration Recharge	-33	-33	0	4.5
Shared Amenities Contribution	-286	-313	-27	4.5
<b>TOTAL INCOME</b>	<b>-32,553</b>	<b>-36,187</b>	<b>-3,634</b>	
<b>EXPENDITURE</b>				
Repairs & Maintenance				
Cyclical Maintenance	1,640	1,886	246	5.2
Reactive Maintenance - General	3,278	3,400	122	5.2
Reactive Maintenance - Voids	1,178	1,521	343	5.2
General Management	7,190	7,766	576	5.3
Grounds Maintenance and Trees	847	936	89	5.4
Older Persons and Temporary Accommodation	1,174	1,150	-24	5.5
Provision for Bad Debt	150	150	0	
Capital Financing Costs - Interest/Debt Management	4,522	5,137	615	5.6
<b>TOTAL EXPENDITURE</b>	<b>19,979</b>	<b>21,946</b>	<b>1,967</b>	
<b>HRA OPERATING SURPLUS(-)</b>	<b>-12,574</b>	<b>-14,241</b>	<b>-1,667</b>	
Contribution to Capital - Supporting Housing Strategy	9,700	9,700	0	5.7
Capital Financing Costs - Principal	3,024	4,541	1,517	5.8
<b>HRA Total Annual Surplus(-) / Deficit</b>	<b>150</b>	<b>0</b>	<b>-150</b>	
<b>Use of Reserves for Major Projects</b>	<b>-150</b>	<b>0</b>	<b>150</b>	4.3
<b>HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## APPENDIX 2

<b>2024/25 - 2026/27 MAINTENANCE BUDGETS</b>			
<b>CYCLICAL MAINTENANCE</b>	<b>2024/25 £</b>	<b>2025/26 £</b>	<b>2026/27 £</b>
External Cleaning and Decoration	500,000		
Appliance servicing (including gas, oil, solid fuel)	987,000		
Lift Servicing	96,000		
Fire Alarm Servicing	75,000		
Portable Appliance Testing	4,000		
Fire Risk Assessments	27,000		
Air Source Heat Pump Servicing	1,000		
CCTC, Laundry & Door Entry Servicing	15,000		
Legionella Testing	23,000		
Automatic Door Servicing	21,000		
Window Cleaning	23,000		
Alarms & Telecommunications	38,000		
Emergency Lighting	76,000		
<b>TOTAL CYCLICAL MAINTENANCE BUDGET</b>	<b>1,886,000</b>	<b>1,943,000</b>	<b>1,981,000</b>
<b>PLANNED MAINTENANCE &amp; IMPROVEMENTS</b>	<b>2024/25 £</b>	<b>2025/26 £</b>	<b>2026/27 £</b>
Heating Replacement Gas	1,455,000		
Electrical Rewiring	842,000		
Sheltered Schemes Minor Works	200,000		
Low Maintenance Eaves	500,000		
External Door Replacements	316,000		
Pitched Roofing	945,000		
Repointing	10,000		
Window Replacements	1,476,000		
Kitchen Refurbishments	1,000,000		
Drainage	50,000		
Insulation Works	76,000		
Structural Works	300,000		
Asbestos surveys and removal	100,000		
Garages	200,000		
Heating Replacements Electric	112,000		
Bathroom Refurbishments	320,000		
Insurance Work	10,000		
Water Main Renewals	35,000		
Miscellaneous	653,000		
<b>TOTAL PLANNED MAINTENANCE &amp; IMPROVEMENT BUDGET</b>	<b>8,600,000</b>	<b>9,000,000</b>	<b>9,000,000</b>
<b>Decarbonisation Projects</b>	<b>2024/25 £</b>	<b>2025/26 £</b>	<b>2026/27 £</b>
Decarbonisation	2,170,000	2,050,000	2,030,000
<b>TOTAL DECARBONISATION PROJECTS</b>	<b>2,170,000</b>	<b>2,050,000</b>	<b>2,030,000</b>
<b>ESTATE IMPROVEMENTS</b>	<b>2024/25 £</b>	<b>2025/26 £</b>	<b>2026/27 £</b>
Provision of estates works and paving	200,000	200,000	200,000
<b>TOTAL ESTATE IMPROVEMENTS BUDGET</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>

## APPENDIX 3

### MEDIUM TERM FINANCIAL PLAN - HOUSING REVENUE ACCOUNT

	Budget 2024/25 £'000	Forecast 2025/26 £'000	Forecast 2026/27 £'000
<b>INCOME</b>			
Dwelling Rents	-33,396	-33,795	-34,471
Non Dwelling Rents	-775	-786	-802
Charges for Services & Facilities	-1,169	-1,182	-1,206
Contributions towards Expenditure	-60	-60	-60
Interest Receivable	-441	-283	-202
Sales Administration Recharge	-33	-33	-33
Shared Amenities Contribution	-313	-329	-335
<b>TOTAL INCOME</b>	<b>-36,187</b>	<b>-36,468</b>	<b>-37,109</b>
<b>EXPENDITURE</b>			
Repairs & Maintenance			
Cyclical Maintenance	1,886	1,943	1,981
Reactive Maintenance - General	3,400	3,502	3,572
Reactive Maintenance - Voids	1,521	1,567	1,598
General Management	7,766	7,844	8,001
Grounds Maintenance and Trees	936	964	983
Housing Schemes and Temporary Accommodation	1,150	1,185	1,208
Provision for Bad Debt	150	150	150
Capital Financing Costs - Interest/Debt Management	5,137	5,557	5,879
<b>TOTAL EXPENDITURE</b>	<b>21,946</b>	<b>22,712</b>	<b>23,374</b>
<b>HRA OPERATING SURPLUS(-)</b>	<b>-14,241</b>	<b>-13,757</b>	<b>-13,736</b>
Contribution to Capital - supporting Housing Strategy	9,700	9,991	10,191
Capital Financing Costs - Principal	4,541	4,782	4,982
<b>HRA Total Annual Surplus(-) / Deficit</b>	<b>0</b>	<b>1,016</b>	<b>1,437</b>
<b>Use of Reserves for Major Projects</b>		<b>0</b>	<b>0</b>
<b>HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT</b>	<b>0</b>	<b>1,016</b>	<b>1,437</b>

## APPENDIX 4

### CAPITAL PROJECTS REQUIREMENTS WITH FINANCING

#### PUBLIC SECTOR HOUSING CAPITAL PROGRAMME

		PROJECT REQUIREMENTS £			2024/25 PROJECT FINANCING £				
		2024/25	2025/26	2026/27	Grants & Conts.	Cap Receipts / DC's	Internal/External Borrowing	HRA	HRA Reserves
Fire Risk Assessment Works	HRA	1,000,000	0				600,000	400,000	
Major Structural Refurbishments	HRA	1,260,000	0	0			760,000	500,000	
HRA - Major Repairs	HRA	8,600,000	9,000,000	9,000,000				8,600,000	
Decarbonisation Works	HRA	2,170,000	2,050,000	2,030,000	860,000		1,310,000		
Estate Improvements	HRA	200,000	200,000	200,000				200,000	
Council Dwellings - Strategy Delivery	HRA	18,200,000	15,200,000	15,200,000	7,062,000	2,000,000	8,320,000		818,000
Disabled Facilities Grants	HRA	950,000	950,000	950,000					950,000
		<b>32,380,000</b>	<b>27,400,000</b>	<b>27,380,000</b>	<b>7,922,000</b>	<b>2,000,000</b>	<b>10,990,000</b>	<b>9,700,000</b>	<b>1,768,000</b>
									<b>32,380,000</b>

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