

REPORT TITLE: HOUSING REVENUE ACCOUNT OUTTURN 2022-23

13 SEPTEMBER 2023

REPORT OF CABINET MEMBER: COUNCILLOR CHRIS WESTWOOD

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WARD(S): ALL

PURPOSE

This report provides an update to members on the financial performance of the Housing Revenue Account (HRA) in 2022-23 and the associated HRA capital programme. Against the backdrop of a challenging and volatile financial climate a viable and sustainable HRA business plan was approved, which demonstrated that the council remains committed to providing high quality services and quality housing to its residents. The report requests approval for revised budget forecasts to the 2023-24 HRA revenue budget and capital programme to take account of delays to some schemes and reflect the likely revised spend profile in the capital programme.

The year end resulted in a deficit to the HRA (£1.304m for 2022/23) which was £0.698m more than budgeted for and has reduced the current working balance to (£15,354m as at 31 March 2023).

RECOMMENDATIONS:

That Cabinet

1. Notes the HRA Outturn figures for 2022/23 as detailed in Appendices 1 and 2;
2. Approves the carry forward of £0.018m of HRA revenue funding from 2022-23 detailed in Paragraph 11.4;
3. Notes the Housing capital programme outturn for Major Works and New Build as detailed in Paragraphs 11.5 to 11.8 and Appendices 3 & 4;
4. Notes the funding of the 2022/23 HRA capital programme as detailed in Paragraph 11.10 & 11.11 and Appendix 5;
5. Approves the revised capital programme budget of £35.653m for 2023/24 as detailed in Paragraphs 11.12 & 11.13 and Appendix 6 & 7 that takes account of potential programme slippage and the reprofiling of expected spend.

IMPLICATIONS:1 COUNCIL PLAN OUTCOME

1.1 Providing good quality housing and new affordable homes is a strategic priority for the Council. Effective management of the resources available to the Council enable it to take advantage of new opportunities and ensure that satisfaction levels remain high amongst tenants in relation to their home and community. In particular

1.2 Tackling the Climate Emergency and Creating a Greener District

£15.7m has been included in the capital programme to fund retrofit works to existing homes over the next 10 years. The council has also been successful in securing £0.533m of central government grant (Social Housing Decarbonisation Fund - Wave 2) which will be used to deep retrofit the council housing Swedish units and loft insulation upgrades over the next two financial years. Net carbon neutral development is also central to the New Homes Development Strategy and emerging schemes are being designed to be built to high energy efficiency standards.

1.3 Homes for all

The housing capital programme includes full funding provision to support the delivery of the Council Plan target of building 1,000 new homes over the next 10 years. The Plan includes provision of a range of tenures including shared ownership and market rent as well as affordable rent and social rent wherever this is viable.

1.4 Vibrant Local Economy

Deliver affordable accommodation that allows people to live and work in the community and contribute to the local economy.

1.5 Living Well

The wellbeing of residents is considered within the design of new properties and through consultation with tenants. It is also specifically supported through the provision of the welfare support fund and our active tenancy sustainment work.

1.6 Your Services, Your Voice

Housing tenants are directly involved in decisions regarding service provision, both through the work of TACT and through regular digital engagement processes. Housing teams continue to review options to provide an improved customer experience, increase opportunities for digital engagement and to ensure satisfaction with services provided by the Council remains high.

2 FINANCIAL IMPLICATIONS

- 2.1 Full details are included in paragraph 11. In summary, the Council had a net deficit on its HRA revenue account of £1.304m for 2022/23, an adverse variance (overspend) on the revised budget of £0.698m. This reduces the HRA general balance as at 31 March 2023 from £16.658m to £15.354m. Although it should be noted that £1.394m of this was the impact of a one-off end of year accrual (an accounting adjustment for the timing of a one-off payment), that will be reversed ('credited' back to the HRA balance) in 2023/24. Excluding this accounting adjustment, the underlying HRA outturn was actually an underspend of £0.696m. Current HRA reserves as at 31 March 2023 are shown in Appendix 5, together with current HRA borrowing.
- 2.2 It is proposed to carry forward to 2023/24 £0.018m of unspent revenue budget from 2022/23 to further support the Housing Company set up process. Further details are provided in Paragraph 11.4.
- 2.3 Total expenditure in the Housing capital programme for 2022/23 was £24.141m, some £14.228m lower than the Revised Budget of £38.369m. The original budget for the year was £43.154m.
- 2.4 It is proposed to carry forward to 2023/24 £14.440m of capital budget slippage from 2022/23. In addition, the approved budgets for 2023/24 are being re-profiled and as a result reduced by £8.836m to realign them with anticipated activity and achievable forecast spend. The ten-year HRA indicative approved capital programme will be amended in the forthcoming budget cycle process for 2023/24 -2032/33 to reflect these changes in the timing of proposed project milestones and also the capacity of the council to resource these activities.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Council, as a local housing authority, is required to maintain a Housing Revenue Account (HRA) with a positive working balance and keep borrowing levels within prudential rule guidelines, in accordance with s74 of the Local Government & Housing Act 1989 (the "1989 Act") prohibiting the Council to operate its HRA at a deficit. Effective management of the HRA is necessary to ensure that statutory requirements are met. The proposed balanced budget meets this obligation.
- 3.2 HRA capital projects will ensure that authorities required are in compliance with the Council constitution which includes that a project with costs in excess of £0.250m will be subject to a financial appraisal, Financial Procedure Rules and the subject of a Member decision.

4 WORKFORCE IMPLICATIONS

- 4.1 There are no direct workforce implications from the closing report.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 To meet one of the key principles of the Council's strategy, the HRA is required to provide sufficient financial resources to both maintain the Council's existing housing stock to decent homes standard and to enable new affordable housing to be built to help meet local demands.

CONSULTATION AND COMMUNICATION

- 6 The Outturn Report has not yet been shared with TACT representatives.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Environmental and ecological factors are fully considered when developing new build properties and preparing major works plans including estate improvements, working closely with planning officers and the Council's Landscape Team where appropriate. Additional costs for meeting these responsibilities are included in project appraisals and scheme budgets.
- 7.2 The contribution made to the Carbon Neutrality programme through the HRA budget is set out in section 1 above.

8 EQUALITY IMPACT ASSESSEMENT

Whilst there are no actions which arise directly from this report, officers have regard to the considerations as set out in the Equalities Act 2010 and whether an equality impact assessment will be required to be undertaken at the time of implementation on any specific recommendations.

9 DATA PROTECTION IMPACT ASSESSMENT

None required.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<i>Property That Council owned dwellings fail to meet decent home standards</i>	An effective programme of future works and sound financial planning ensures that these standards are met and then maintained.	
<i>Community Support Lack of consultation will affect tenant satisfaction and cause objections to planning applications for new build developments.</i>	Regular communication and consultation is maintained with tenants and leaseholders on a variety of housing issues. The Council consults with local residents and stakeholders on proposed new build schemes.	Positive consultation brings forward alternative options that may otherwise not have been considered.
<i>Timescales Delays to new build contracts may result in increased costs and lost revenue. Delays to major works may result in the loss of decent home status for individual properties.</i>	New build contracts contain clauses to allow the Council to recover damages if the project is delayed due to contractor actions. Continual updating of asset management plans and major works budgets allows potential issues to be addressed quickly.	
<i>Project capacity The HRA can borrow funds in addition to utilising external receipts and reserves but it must be able to service the loan interest arising and repay debt in the future. Staffing resources (not always in Housing) reduce the ability to push forward new schemes at the required pace.</i>	Regular monitoring of budgets and business plans, together with the use of financial assessment tools enables the Council to manage resources effectively. Staffing resources have been reviewed to support the delivery of the enhanced new build programme.	The Council monitor's government announcements on the use of RTB receipts and potential capital grant funding. In light of recent departures from this team the opportunity to reconfigure it and bring in different skill sets is being reviewed.
<i>Financial / VfM Risks, mitigation and</i>	New build Schemes are	

<i>opportunities are managed through regular project monitoring meetings</i>	financially evaluated and have to pass financial hurdles and demonstrate VFM	
<i>Financial Pressures A number of emerging issues including inflationary pressures affecting the construction supply chain, energy and, labour costs, rises in borrowing costs, the impact of the cost of living crisis, and issues over the rent settlement, coupled with environmental phosphate and nitrate issues will adversely affect the capacity and viability of the HRA</i>	The annual process of constructing a robust base HRA 30 year business plan and its underlying key assumptions and sensitivity analysis will help to identify and quantify the potential financial consequences and impact	Allowing better informed resource allocation decisions to be made.
<i>Legal The provision of social housing is a statutory requirement. Changing Government priorities place a greater emphasis on social housing which must be monitored and considered within planning of future new build projects.</i>	Government statutory requirements and policy changes are being monitored to identify any new risks or opportunities that they may bring.	To create new housing developments within new guidelines and drawing on innovative thinking.
<i>Innovation The creation of a Housing Company to support the new build programme is introduced without reference to existing rules and consents.</i>	External legal and business planning advice has been sought to ensure the Council has the most appropriate and effective solution and that any developments are only undertaken if they are financially viable.	A Housing Company has the potential to increase the options for housing tenure and to help to meet unmet demand.
<i>Reputation Failure to complete major housing projects due to lack of resources would have a direct impact on both customer satisfaction and the Council's</i>	Business planning tools with regular updates are utilised to make sure resources are available to complete projects.	Its important to ensure that a whole of life approach to developing affordable high quality sustainable housing is considered from the outset

<i>reputation.</i>		
<i>Other – None</i>		

11 SUPPORTING INFORMATION:

HRA Outturn 2022/23

Details of the 2022/23 financial performance are analysed in Appendix 1 (subjective summary) and Appendix 2 (service summary).

- 11.1 Overall, the HRA produced a deficit of £1.304m. The outturn deficit is £0.698m higher than the £0.606m Revised Budget (CAB3354).
- 11.2 Within the subjective summary (Appendix 1), the material variances were:
- a) Employees £0.108m under. This represents an underspend on the employee budget of 2.3% and reflects continuing difficulties in recruitment and retention within the service.
 - b) Premises - £2.110m over. This is largely a demand led budget. The overspend also contains the impact of a one of accrual that will be reversed in 2023-24. Excluding this accrual, the budget overspent by £0.706m the largest element of the overspend was building maintenance £0.486m where cost pressures could not be contained, increased electricity costs £0.109m, and an increase in the cost of the building insurance premium £0.069m.
 - c) Other Costs - £0.086m under. This is made up of several variances. The main ones contributing to this are-
 - 1) An underspend on the professional and consultancy budget (£0.203m), an underspend on staff car park permits (£0.065m), offset by payments of disrepair compensation (£0.059m).
 - 2) There was a net overspend on support service recharges into the HRA of £0.390m, the key ones being IT £0.106m, Legal £0.101m, and Special Maintenance of £0.045m, lower than budgeted capitalisation of new homes staff £0.082m ; partly offset by underspends on Office Accommodation of £0.068m; in addition new homes staff capitalisations were £0.085m under budget reflecting both staff vacancies and fewer schemes.
 - d) Net Interest and Depreciation- £0.622m under. Is the net result of interest payments on debt being £1.328m under budget, and end of year depreciation charges being £0.706m over budget. The budget for interest payments on debt had assumed both a higher level of capital spend financed by borrowing and higher debt financing charges and was largely due to the use of internal borrowing (see Appendix 5). Depreciation is an estimate based on the prior year; actual depreciation is affected by several factors such as the annual valuation of the council's housing stock, and underlying component costs and will therefore vary from forecast.

- e) External Income – (£0.200m) over budget. This is largely due to a reduction in voids over that budgeted for £0.098m, an over achievement of rent receivable £0.069m and a number of one-off items including costs recovered £0.062m and £0.142m of insurance claim payments. This is partly offset by the provision for bad debts £0.092m and an underachievement of income from service charges of £0.043m.

11.3 Within the service summary (Appendix 2), the material variances were:

- a) Vacant Dwellings (£0.076m) over this is largely down to an error of omission in accruing for CTAX invoices on void properties in 2021-22 and an increase in vacant dwellings.
- b) The New Build Programme Support– £0.060m overspent. This is largely down to writing off the abortive costs incurred on Tower Street £0.205m, offset by an underspend on salaries of £0.131m.
- c) Communal Services - £0.067m overspent. This is down to higher than budgeted for electricity costs £0.029m, and an underachievement in service charge income £0.033m)
- d) Home Ownership– (£0.233m) under. This is a new cost centre created in 2022-23 to manage services for both leaseholders and shared owners This underspend is largely a presentational issue as it results from the unbudgeted transfer of shared ownership rent of £0.201m and an underspend on staffing of £0.027m
- e) Sewage Works £0.125m overspent. This is the result of increased special maintenance cost of £0.051m together with unbudgeted reactive maintenance costs of £0.053m.
- f) Revenue Repairs – this is £1.954m overspent. This is largely down to an accounting adjustment of £1.394m that will be reversed ('credited' back to the HRA balance) in 2023/24; and a number of other variances including an overspend of £0.104m on staffing caused by the need to cover vacancies with agency cover , £0.449m on planned reactive and cyclical repairs caused by increased costs and demand, and £0.059m of disrepair compensation payments, offset by £0.141m of insurance claim income.
- g) Interest Payable – (£1.328m) under. The budget for interest payments on debt had assumed both a higher level of capital spend financed by borrowing and higher debt financing charges and was largely due to the use of internal borrowing (see Appendix 5).

- h) Depreciation of fixed assets – £0.501m overspent. Depreciation is an estimate based on the prior year; actual depreciation is affected by several factors such as the annual valuation of the council's housing stock, and underlying component costs and will therefore vary from forecast.
- i) Dwelling Rents Income - £0.101m underachieved. This is largely a presentational issue as dwelling rent income would have overachieved by £0.100m but for the transfer of £0.201m of shared ownership rent to Home ownership.

11.4 HRA Revenue Carry Forwards from 2022/23 to 2023/24

The only proposed HRA Revenue Carry Forward from 2022/23 to 2023/24 is £0.018m underspend from the other professional services & consultancy fee budget to continue to support the anticipated Housing Company setup costs during 2023/24.

11.5 HRA Capital Programme Outturn 2022/23

11.6 Appendices 3 & 4 detail the expenditure in 2022/23 for both the Housing Services and New Build capital programmes against both the Original Budget and the Revised Budget position.

11.7 Overall, within Housing Services (Appendix 3), £7.267m was spent against a Revised Budget of £8.464m, a variance of £1.198m on the year.

The material variances were as follows:

- a) Major Repairs - £0.126m overspent. - this represents just a 2% variance on the overall major repairs budget and is a combination of a high refusal rate/low demand for kitchens, pressure to upgrade fire alarms systems and completing more roofs than originally forecast.
- b) Estate Improvements – £0.187m under. Some projects were not able to be fully progressed due to the Estate Improvement Officer post becoming vacant. This post has now been recruited to and all projects are progressing in 2023/24.
- c) Sheltered Housing upgrades - £0.240m under – £0.210m of the budget was allocated to the installation of powered communal doors at sheltered housing schemes. The procurement of these works took longer than anticipated to complete. The contract has been awarded and these funds have been committed.
- d) Fire safety Provision - £0.309m under. slippage due to outstanding fire rating issue with suited locks in sheltered schemes.

- e) Climate Change Emergency - £0.328m under. procurement delays due to the reliance on Trustmark approved contractors which are in very high demand.
- f) Sewage Treatment works £0.207m – the budget contains funding for a new sewage treatment vehicle and the procurement of this was not progressed in 2022-23 but is likely to progress in 2023-24.

11.8 For the New Build capital programme (Appendix 4), £16.874m was spent against a Revised Budget of £29.904m, a variance on the year of £13.030m.

The material variances were as follows:

- a) Unallocated £2.281m under. slower progress than expected on sites in the pipeline.
- b) Winnall - £0.469m under. weather related delays to programme, completion scheduled for 3rd quarter of 23/24
- c) North Whitely-£7.829m under. Handover of final phases of development delayed until 2nd quarter of 23/24, full completion scheduled for Aug 23.
- d) Southbrook cottages - £1.719m under. Programme delayed requiring expenditure to be slipped to 23/24. Scheme will complete in 23/24
- e) Witherbed lane - £0.626m under. development on hold whilst suitable bio-diversity off-site compensation is secured.

11.9 HRA Capital Programme Funding

11.10 Appendix 5 details the actual funding for the capital programme in 2022/23. The funding requirement for the year was £24.141m, £14,228m less than previously anticipated in setting the Revised Budget. The Housing Services programme was underspent by £1.198m, with the New Build capital programme being £13.030m

11.11 The average HRA cost of capital is shown here together with current HRA reserves/resources position. These resources are largely constrained in their use with the exception of the general reserve but provide a degree of mitigation against future new homes development and sales risk and provide a cheap form of internal financing for the capital programme.

11.12 The funding of the programme firstly applies all required 1-4-1 RTB funding of £2.764m to maximise the council's position on these resources, then Homes England grant funding for Winnall £0.245m, then applies capital receipts from new build sales £6.298m, and other disposal £0.906m with the remaining £13.7724m was unfinanced. This resulted in a net movement of £13.772m in the Capital Financing Requirement from £186.005m to £199.777m. This represents the underlying need to borrow for capital purposes, i.e. its borrowing requirement.

11.13 HRA Capital Programme Re-Forecast for 2022/23

Within the capital programme, there is an increase due to slippage to the original budget of £14.442m combined with a net reduction due to the re-profiling of £7.345m into future years, which is proposed in Appendix 6 & 7. The impact of these changes on the original budget of £30.049m, is a net increase in approved budget for 2023/24 of £7.097m.

11.14 The proposed Housing Services programme has slippage of £0.923m and re-profiled budgets of £0.215m, resulting in an increase of £1.565m. This reflects the anticipated need to spend on ongoing programmes and the carry forward of funding for key Council priorities such as climate change and fire safety.

11.15 The profiling of all the New Homes scheme capital projects has also been reviewed considering changes in both individual programme delivery timeframes caused by the phosphate issues affecting planning permission as well as the capacity of the team to resource these projects, and the funding from LAHF. As a result, the net budget after bringing forward slippage and re-profiling has been reduced by £4.046m. Of the total budget of £29.819m in 2022/23 some £24,671m is committed and likely to spend. The overall impact of this on the HRA 10-year indicative programme will be identified during the next year's budget preparation process.

BACKGROUND DOCUMENTS: -

Previous Committee Reports: -

CAB3354 HRA Outturn report 2021-22 19 July 2022

CAB3334 Housing Revenue Account Budget 2022-23 17 Feb 2022

CAB3325 HRA Budget Options 2022-23 23 Dec 2022

APPENDICES:

Appendix 1 – Housing Revenue Account Outturn 2022/23 – Subjective Summary

Appendix 2 – Housing Revenue Account Outturn 2021/22 – Service Summary

Appendix 3 – Housing Capital Programme 2022/23 – Housing Services Outturn

Appendix 4 – Housing Capital Programme 2022/23 – New Build Outturn

Appendix 5 – Housing Capital Programme 2022/23 - Funding, Resources and Debt

Appendix 6 – Housing Capital Programme 2022/23 – Revised Budget Major Works

Appendix 7 – Housing Capital Programme 2022/23 – Revised Budget New Build

APPENDIX 1

HRA - INDICATIVE OUTTURN 2022/23

	Original Budget £000	Revised Budget £000	Indicative Outturn £000	Variance Outturn to Revised Budget £000	Report Notes
Employees	(4,693)	(4,744)	(4,636)	(108)	11.2 a).
Premises	(7,082)	(7,082)	(9,193)	2,110	11.2 b).
Other Costs	(4,148)	(4,135)	(4,221)	86	11.2 c).
Net Interest and Depreciation	(15,324)	(15,324)	(14,702)	(622)	11.2 d).
External income	30,630	30,630	30,830	(200)	11.2 e).
Deficit(/) Surplus for year on HRA Services	(617)	(655)	(1,922)	1,267	
Right to Buy Admin Fees	29	29	33	(4)	
Interest receivable	20	20	587	(567)	11.2 f).
Net (increase)/decrease in HRA Balance before transfers to or from reserves	(568)	(606)	(1,302)	696	
Transfer to/from Reserves			(2)	(2)	
(decrease)/Increase in HRA Balance	(568)	(606)	(1,304)	694	
HRA Working Balance					
Opening Balance	16,427	16,658	16,658	0	
Add Projected (Deficit)/Surplus	(568)	(606)	(1,304)	698	
Projected Balance at Year End	15,859	16,052	15,354	698	

APPENDIX 2

HRA - INDICATIVE OUTTURN 2022/23

	Original Budget £000	Revised Budget £000	Indicative Outturn £000	Variance Outturn to Revised Budget £000	Report Notes
Service Summary					
Housing Management General					
Estate Management	(1,272)	(1,307)	(1,268)	(40)	
HRA General	(3,010)	(2,909)	(2,927)	18	
Tenancy Sustainment	(431)	(427)	(382)	(45)	
Downsizing	(65)	(65)	(77)	12	
Rent Accounting	(71)	(71)	(66)	(5)	
Tenants Involvement	(84)	(84)	(30)	(53)	
Vacant Dwellings	(31)	(31)	(108)	76	11.3 a)
New Build Programme Support	(918)	(893)	(953)	60	11.3 b)
	(5,882)	(5,788)	(5,810)	22	
Housing Management Special					
Communal Services	103	103	36	67	11.3 c)
Disabled Adaptations	(137)	(137)	(153)	17	
Estate Improvements	(489)	(489)	(474)	(15)	
Home Ownership		(50)	183	(233)	11.3 d)
Homelessness	(40)	(89)	(161)	72	
Sewage Works	(332)	(332)	(441)	110	11.3 e)
Sheltered Housing	(881)	(846)	(885)	39	
	(1,775)	(1,838)	(1,896)	57	
Repairs					
Responsive Maintenance	(2,873)	(2,873)	(4,294)	1,421	
Voids	(1,490)	(1,490)	(1,514)	24	
Cyclic	(957)	(957)	(1,302)	345	
Sub - total Repairs Works	(5,320)	(5,320)	(7,109)	1,789	
Repairs Administration	(1,401)	(1,393)	(1,558)	165	
	(6,721)	(6,713)	(8,667)	1,954	11.3 f)
Debt Management Expenses					
Debt Management Expenses	(7)	(7)	(8)	1	
Interest Payable	(6,689)	(6,689)	(5,361)	(1,328)	11.3 g)
Depreciation of Fixed Assets	(8,635)	(8,635)	(9,136)	501	11.3 h)
	(15,331)	(15,331)	(14,505)	(826)	
Rents and Other Income					
Dwelling Rents	28,226	28,174	28,073	101	11.3 i)
Garage Rents	63	63	64	(1)	
Other Income	249	48	83	(35)	
Investment Properties		176	204	(28)	
Sheltered Charges	555	555	532	23	
	29,093	29,016	28,957	59	
Deficit () / Surplus for year on HRA Services	(617)	(655)	(1,922)	1,267	

APPENDIX 2

HRA - INDICATIVE OUTTURN 2022/23

	Original Budget £000	Revised Budget £000	Indicative Outturn £000	Variance Outturn to Revised Budget £000	Report Notes
Service Summary					
Right to Buy Admin Fees	29	29	33	(4)	
Interest Receivable	20	20	587	(567)	11.3 j)
Net (increase)/decrease in HRA Balance before transfers to or from reserves	(568)	(606)	(1,302)	696	
Transfer to/from Reserves	0	0	(2)	2	
(Increase)/ decrease in HRA Balance	(568)	(606)	(1,304)	698	
	0	0	0	0	
HRA Working Balance					
Opening Balance	16,427	16,658	16,658	(0)	
Add Projected (Deficit)/Surplus	(568)	(606)	(1,304)	698	
Projected Balance at Year End	15,859	16,052	15,354	698	

Appendix 3

HRA CAPITAL PROGRAMME INDICATIVE OUTTURN 2022/23

	2022/23 Original Budget £000	2022/23 Revised Budget £000	2022/23 Indicative Outturn £000	2022/23 Variance Outturn to Revised Budget £000	Report Notes
<u>Housing Services Programme</u>					
<u>Major Repairs</u>					
External Envelope Works	(2,072)	(1,400)	(1,523)	123	
External Ground Works	(400)	(400)	(434)	34	
External Window/Door/Screens	(300)	(200)	(265)	65	
Internal Structure & Finishes	(100)	(300)	(349)	49	
Kitchen & Bathroom Renewals	(1,100)	(1,200)	(879)	(321)	
Mechanical & Electrical Services	(1,700)	(2,172)	(2,349)	177	
	(5,672)	(5,672)	(5,799)	126	11.7 a).
<u>Improvements & Conversions</u>					
Estate Improvements	(226)	(215)	(28)	(187)	11.7 b).
Sheltered Conversions	0	0	(26)	26	
Sheltered Housing Upgrades	(74)	(253)	(13)	(240)	11.7 c).
	(300)	(468)	(67)	(401)	
<u>Other Capital Spending</u>					
Disabled Adaptations	(821)	(821)	(742)	(79)	
Fire Safety Provision	(680)	(600)	(291)	(309)	11.7 d).
Climate Change Emergency	(1,512)	(600)	(272)	(328)	11.7 e).
Sewage Treatment Works	(304)	(304)	(96)	(207)	11.7 f).
Total HS Capital Programme	(9,289)	(8,464)	(7,267)	(1,198)	

Appendix 4

HRA CAPITAL PROGRAMME INDICATIVE OUTTURN 2022/23

	2022/23 Original Budget £000	2022/23 Revised Budget £000	2022/23 Indicative Outturn £000	2022/23 Variance Outturn to Revised Budget £000	Report Notes
New Build Programme & Other Capital					
Unallocated	(5,500)	(2,281)	0	(2,281)	11.8 a)
Hookpit	0	0	(32)	32	
Winnall	(8,755)	(10,660)	(10,191)	(469)	11.8 b)
Barton Farm	(473)	(100)	(2)	(98)	
North Whitely	(13,818)	(13,805)	(5,977)	(7,829)	11.8 c)
Southbrook Cottages	(1,066)	(2,076)	(357)	(1,719)	11.8 d)
Dyson Drive	(1,586)	(50)	(23)	(28)	
Woodman Close	(824)	(50)	(7)	(43)	
Witherbed lane	(609)	(626)	0	(626)	11.8 e)
CornerHouse	(327)	(50)	(8)	(42)	
The Valley	0	0	(72)	72	
Wickham CLT	0	(205)	(205)	0	
Ravenswood	(800)	0	0	0	
Tower St	(108)	0	0	0	
	(33,866)	(29,904)	(16,874)	(13,030)	
Total HRA Capital Programme	(43,154)	(38,369)	(24,141)	(14,228)	

Appendix 5

HRA CAPITAL PROGRAMME INDICATIVE FUNDING 2022/23

	Original Budget £000	Indicative Outturn £000	Variance Outturn to Revised Budget £000	Report Notes
Funding Source				
Right to Buy Other Retained receipts	888	400	(488)	
Right to Buy 1-4-1 Receipts	6,626	2,764	(3,862)	
Other Capital Receipts		889	889	
S.106 Contributions	500		(500)	
Homes England Grant	919	245	(674)	
New Build Sales		6,072	6,072	
HRA Borrowing	34,429	13,771	(20,658)	
Major Repairs Reserve				
TOTAL	43,362	24,141	(19,221)	11.9

HRA Usable Reserves/Resources	Bal 31.3.2022 £000	Bal 31.3.2023 £000	Change £000
HRA Revenue Reserves	16,748	15,354	(1,394)
Earmarked Reserves	172	174	
Major Repairs Reserve	16,799	26,136	9,337
Right to Buy 1-4-1 Receipts	6,316	6,729	413
Other Capital Receipts	9,807	6,403	(3,404)
S.106 Contributions	4,951	5,758	807
TOTAL	54,793	60,554	5,759

HRA Capital Financing Requirement	Bal 31.3.2022 £000	Bal 31.3.2023 £000	Change £000
CFR (Level of Underlying Borrowing)	186,005	199,777	13,771
(Expenditure funded by Borrowing)			
Annual Cost of Debt	5,770	5,361	(409)
Average Cost of Capital to HRA	3.10%	2.68%	-0.42%
of Which			
[a] PWLB external debt	166,722	161,722	(5,000)
Average cost of debt	5,363	5,235	(128)
Average Cost of Capital	3.22%	3.24%	0.02%
[b] Unfinanced CFR	19,283	38,055	18,771
Average cost of debt	407	126	(281)
Average Cost of Capital	2.11%	0.33%	-1.50%

Appendix 6

HRA CAPITAL PROGRAMME PROPOSED REVISED BUDGETS 2022/23

	2023/24 Original Approved Budget. £000	2023/24 Other Budget Changes £000	2023/24 Proposed B/fwd £000	2023/24 Revised Budget £000	Report Notes
<u>Housing Services Programme</u>					
<u>Major Repairs</u>					
External Envelope Works	(1,500)			(1,500)	
External Ground Works	(400)			(400)	
External Window/Door/Screens	(300)			(300)	
Internal Structure & Finishes	(300)			(300)	
Kitchen & Bathroom Renewals	(1,192)			(1,192)	
Mechanical & Electrical Services	(2,200)	(210)		(2,410)	
	(5,892)	(210)	0	(6,102)	
<u>Improvements & Conversions</u>					
Estate Improvements	(434)	271	(187)	(350)	
Sheltered Housing Upgrades	(74)	294	(240)	(20)	
	(508)	565	(427)	(370)	
<u>Other Capital Spending</u>					
Disabled Adaptations	(793)	79	(79)	(793)	
Fire Safety Provision	(507)		(309)	(816)	
Climate Change Emergency	(1,512)	(856)	(328)	(2,696)	
Sewage Treatment Works	(318)	207	(207)	(318)	
	(3,130)	(570)	(923)	(4,623)	
Total HS Capital Programme	(9,530)	(215)	(1,350)	(11,095)	

Appendix 7

HRA CAPITAL PROGRAMME PROPOSED REVISED BUDGETS 2022/23

	2023/24 Original Approved Budget. £000	2023/24 Other Budget Changes £000	2023/24 Proposed Bfwd £000	2023/24 Revised Budget £000	Notes
New Build Programme & Other Capital					
North Whiteley	(14,123)	11,020	(7,829)	(10,932)	
Winnall Flats	(4,727)	(1,300)	(469)	(6,496)	
Small Sites/Unallocated Programme		2,281	(2,281)	0	
Dyson Drive	(201)	179	(28)	(50)	
Southbrook Cottages	(1,161)	1,375	(1,719)	(1,505)	
Woodman Close	(56)		(43)	(98)	
Barton Farm Extra Care		78	(98)	(20)	
Cornerhouse	(50)	650	(626)	(27)	
LAHF Property Acquisitions		(6,723)		(6,723)	
Nutrient Mitigation	(200)			(200)	
Total New Build Programme	(20,518)	7,560	(13,092)	(26,051)	
Total HRA Capital Programme	(30,049)	7,345	(14,442)	(37,146)	