

REPORT TITLE: HOUSING REVENUE ACCOUNT OUTTURN 2023/24

11 SEPTEMBER 2024

REPORT OF CABINET MEMBER: CLLR CHRIS WESTWOOD – CABINET MEMBER FOR HOUSING

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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 2023-24 and the associated HRA capital programme. It requests approval for revised budget forecasts to the 2024-25 HRA capital programme to reflect slippage, 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 of £1.258m for 2023/24, which was £0.352m more than budgeted for, and has reduced the current working balance to £14.096m (£15.163m as at 31 March 2023).

### RECOMMENDATIONS:

That Cabinet

1. Notes the HRA Outturn figures for 2023/24 as detailed in Appendices 1 and 2;
2. Notes the Housing capital programme outturn for Major Works and New Build as detailed in Paragraphs 11.5 to 11.7 and Appendices 3 & 4;
3. Approves the funding of the 2023/24 HRA capital programme as detailed in Paragraphs 11.8 to 11.11 and Appendix 5;
4. Approves the reforecast capital programme budget of £24.057m for 2024/25 as detailed in paragraphs 11.12 to 11.14 and Appendix 6 & 7 that takes into account potential programme slippage and the reprofiling of expected spend.

## IMPLICATIONS:

### 1 COUNCIL PLAN OUTCOME

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.

#### 1.1 Tackling the Climate Emergency and Creating a Greener District

The capital programme provides for accelerated carbon reduction measures across the existing housing stock, included within the design and construction of new properties, and included within the feasibility assessment when considering the purchase of properties. This includes the Council's 10 year retrofit programme for existing properties

#### 1.2 Homes for all

Assist with the increase of affordable housing property stock across the Winchester district and meet the council's objective to provide a range of tenures to meet demand.

#### 1.3 Vibrant Local Economy

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

#### 1.4 Living Well

The wellbeing of residents is considered within the design of new properties, and new homes are designed to be energy efficient and to meet tenants needs. Any substitute properties are assessed according to these criteria.

#### 1.5 Your Services, Your Voice

Housing tenants are directly involved in decisions regarding service provision, both through the work of TACT and through regular tenant and leaseholder digital surveys, to capture wider tenant views. The service continues to review options to provide an improved customer experience, increase opportunities for engagement and to ensure satisfaction with services provided by the Council.

## 2 FINANCIAL IMPLICATIONS

- 2.1 Full details are included in section 11. In summary, the Council had a net deficit on its HRA revenue account of £1.258m for 2023/24, an adverse variance on the revised budget of £0.352m. This reduces the HRA general balance as at 31.3.2024 from £15.163m to £14.096m. Current HRA reserves and balances as at 31.3.2024 are shown in Appendix 5, together with current HRA borrowing.
- 2.2 Total expenditure in the Housing capital programme for 2023/24 was £36.170m, some £6.398m lower than the revised budget of £42.568m. The original budget for the year was £30.049m.
- 2.3 It is proposed to carry forward to 2024/25 £6.96m of capital budget slippage from 2023/24. In addition, the approved budgets for 2024/25 are being re-profiled and as a result reduced by £16.943m 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 2024/25 -2033/34 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.
- 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 As at the end of the financial year 2023/24, consultation had been completed on a new structure for the service, including the proposed deletion of a number of vacant posts, changes to reporting lines to give focus to service delivery and also allocation additional resources to support the increased retrofit programme. At the time of writing this report, the structure had been implemented and recruitment to vacant posts underway.

## 5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 In order 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.

## 6 CONSULTATION AND COMMUNICATION

- 6.1 The Outturn Report will be shared with the TACT Board.

## 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The Housing Service considers environmental and ecological factors 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 30-year business plan agreed in February 2024 includes provision of £45m to fund the proposed fabric-first retrofit programme of works over the next 8 years. Delivery of the planned investment could lead to a reduction of 1666.22 tCO<sub>2</sub> from customers' homes by 2030.

## 8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 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

- 9.1 None required.

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
<p><b>Financial Pressures</b>  <i>Continuing 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></p>	<p>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</p>	<p>Allowing better informed resource allocation decisions to be made.</p>
<p><b>Exposure to Challenge</b>  <i>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. Failure to meet legal requirements and challenge from ROSH</i></p>	<p>Government statutory requirements and policy changes are being monitored to identify any new risks or opportunities that they may bring.</p>	<p>To create new housing developments within new guidelines and drawing on innovative thinking.</p>
<p><b>Innovation</b>  <i>The creation of a Housing Company to support the new build programme is introduced without reference to existing rules and consents.</i></p>	<p>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.</p>	<p>A Housing Company has the potential to increase the options for housing tenure and to help to meet unmet demand.</p>
<p><b>Reputation</b>  <i>Failure to complete major housing projects due to lack of resources would have a direct impact on</i></p>	<p>Business planning tools with regular updates are utilised to make sure</p>	<p>Its important to ensure that a whole of life approach to developing affordable high quality</p>

<i>both customer satisfaction and the Council's reputation.</i>	resources are available to complete projects.	sustainable housing is considered from the outset
Achievement of outcome		
Property <i>That Council owned dwellings fail to meet decent home standards</i>	An effective, funded programme of future works and sound financial planning ensures that these standards are met and then maintained.	
Community Support <i>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.
Timescales <i>Delays to new build contracts may result in increased costs and lost revenue.</i>  <i>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.	
Project capacity <i>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.</i>  <i>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 monitors 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.
Other		

## 11 SUPPORTING INFORMATION:

### HRA Outturn 2023/24

Details of the 2023/24 financial performance are analysed in Appendix 1 (subjective summary) and Appendix 2 (service summary).

- 11.1 Overall, the HRA produced a deficit of £1.258m. The outturn deficit is £0.352m higher than the £0.907m Revised Budget (CAB3417).
- 11.2 Within the subjective summary (Appendix 1), the material variances were:
- a) Employee costs: £0.352m Favourable variance, representing an underspend against the overall employee budget of 6.5%. This is reflective of continuing difficulty in recruiting staff and ongoing restructuring within Property and Estates.
  - b) Premises costs: £1.692m Adverse variance is predominantly due to demand led repairs and maintenance. During 2023/24, the authority saw a significant increase of over 30% across the HRA in the number of jobs being completed or work in progress. Concurrently, persistent inflation on materials costs, has been significantly above the headline CPI rate. In addition, a historic underpayment of cumulative inflation was identified during the year, of which £1.3m related to prior years, contributed to an overspend of £2m on maintenance spend. The impact on 2024/25 and future years of the business plan, along with potential mitigations, is being assessed as part of the business planning exercise for 2024/25. The overspend has been partially offset by a reduction in cleaning costs following the reprocurement of the cleaning contract commencing July 2023, and on utility costs following a softening in energy prices in the second half of 2023/24.
  - c) Other costs: £0.291m Favourable variance. This is made up of a number of variances. The main variances contributing to this are underspend on the professional and consultancy budget (£0.173m), an underspend on staff car park permits & travel claims (£0.07m), and lower than budgeted compensation payments (£0.08m).
  - d) Interest & depreciation £0.229m Favourable variance is the net result of interest payments on debt being £1.622m under budget, and end of year depreciation charges being £1.393m 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: Favourable variance of £0.806m, of which £0.41m relates to overachievement of dwelling rents, £0.140m overachievement on Temporary Accommodation rents and £0.19m recovery of costs through successful insurance claims.
- f) Interest receivable: The interest receivable, or item 8 credit, is the net interest on balances and internal borrowing. The adverse variance is due to increasing interest costs on internal borrowing.

11.3 Within the service summary (Appendix 1), the material variances were:

- a) Vacant Dwellings: Adverse variance of £0.083m. This variance relates to Council Tax charges on empty properties which, in 2023/24 amounted to £0.12m. The 2024/25 business plan includes a more realistic budget for void council tax charges.
- b) New build programme support: Favourable variance of £0.121m. This variance is driven by vacancies within the programme support team.
- c) Communal Services: Favourable Variance of £0.066m. This relates to the cleaning contract referred to in paragraph 11.2b.
- d) Homelessness: Favourable variance of £0.285m. Of this variance, £0.059m relates to cleaning contract referred to in paragraph 11.2b, void and collection rates of rents & service charges improved performance against budget £0.160m, and vacancy savings of £0.044m.
- e) Sheltered Housing: Favourable variance of £0.120m is predominantly due to utilities costs, following a softening in energy prices in the second half of 2023/24
- f) Responsive repairs: This is due to inflationary pressure and increase in jobs referred to in paragraph 11.2b.
- g) Interest Payable: Favourable variance £1.622m favourable. 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.
- h). Depreciation of fixed assets – Adverse variance £1.393m. 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: Void losses and income collection rates were slightly favourable compared to the budget assumptions, generating a favourable variance of £0.41m.
- j) Interest receivable: Adverse variance £0.184m. This adverse variance is due to the use of cash balances for internal borrowing purposes and is offset



by the favourable variance on external interest costs explained at paragraph 11.3 g)

#### 11.4 HRA Revenue Carry Forwards from 2023/24 to 2024/25

There are no proposed HRA Revenue Carry Forward from 2023/24 to 2024/25.

#### 11.5 HRA Capital Programme Outturn 2023/24

11.6 Appendices 3 & 4 detail the expenditure in 2023/24 for both the Housing Services and New Build capital programmes against both the Original Budget and the Revised Budget position.

Overall, within Housing Services (Appendix 3), £8.897m was spent against a Revised Budget of £11.095m, a variance of £2.198m on the year.

The material variances were as follows:

- a) Major repairs £0.50m adverse variance: this variance is an accumulation of minor adverse variances on external works, internal finishes and kitchens/bathrooms programme, which can be attributed to inflation on materials costs.
- b) Estate improvements £0.33m adverse variance: Difficulty in recruiting appropriate staff during 2023/24 has led to under delivery against the estates delivery programme. The programme will need to be reprofiled as part of the 2024/25 business planning.
- c) Fire Safety provision £0.32m favourable variance: This relates to compartmentation works, which was not procured during 2023/24 due to staff vacancy in the second half of the year. Procurement is expected to commence in Q2 of 2024/25 and contained within the 2024/25 budget for fire safety. It is proposed to reprofile the remaining budget to future years as part of the business planning process.
- d) Climate Change emergency £1.9m favourable variance. 2023/24 saw a significant increase in retrofitting, and as at the end of 2023/24 there was £1.4m cavity wall and loft insulation works commissioned but not yet completed. Budget will therefore require carrying forward. The remaining £0.5m will be reprofiled into 2024/25 to support the current year programme of works.
- e) Sewerage treatment works £0.21m adverse variance. This budget is earmarked for the replacement tanker, which is now due for delivery in early 2024/25.

11.7 For the New Build Capital Programme (Appendix 4), £27.724m was spent against a Revised Budget of £31.723m, a variance of £4.200m

The material variances were as follows:

- a) Winnall £2.127m underspent. Expected completion is now expected in early 2024/25 following rectification of defects and final works. Remaining budget is therefore proposed to be slipped into 2024/25.
- b) Southbrook Cottages £0.107m favourable variance. Expected completion is now expected in early 2024/25 following rectification of defects and final works. Remaining budget is therefore proposed to be slipped into 2024/25.
- c) Nutrient Mitigation £0.11m favourable variance. During 2023/24, two schemes progressed at Northington & Goodens, total cost of £0.09m. The budget was set prior to technical feasibility work being undertaken. The outcome of feasibility and subsequent tendering resulted in an underspend of £0.11m.
- d) LAHF Property Acquisitions £1.839m favourable variance. As at the year end there were a small number of acquisitions that were awaiting full completion, which completed in July 2024. The budget for these properties, and associated assumed repair costs, will require carry forward into 2024/25.

#### 11.8 HRA Capital Programme Funding

11.9 Appendix 5 details the actual funding for the capital programme in 2023/24. The funding requirement for the year was £36.170m, £6.398m less than previously anticipated in setting the Revised Budget. The Housing Services programme was underspent by £2.198m, with the New Build capital programme being £4.200m

11.10 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.

11.11 The proposed funding of the programme firstly applies all required 1-4-1 RTB funding of £3.412m to maximise the council's position on these resources. Capital receipts from other retained RTB receipts of £4.799m, new build sales £3.568m, and other disposals £1.042m are then applied. Grant funding of £6.495m for the Local Authority Acquisition Fund scheme are then applied. A contribution of £4.029m was drawn from the Major Repairs Reserve towards Decent Homes capital works, with the remaining £12.856m unfinanced. This resulted in a net movement of £12.769m in the Capital Financing Requirement from £199.777m to £212.546m. This represents the underlining need to borrow for capital purposes, i.e. its borrowing requirement.

## 11.12 HRA Capital Programme Re-Forecast for 2024/25

Within the capital programme, there is an increase due to slippage from the 2023/24 programme into the 2024/25 budget of £6.96m, combined with the reduction due to the re-profiling of £16.943m into future years, which is proposed in Appendix 6 & 7. The impact of these changes on the original budget of £34.04m, is a net decrease in approved budget for 2024/25 of £9.98m.

11.13 The proposed Housing Services programme has slippage of £2.695m and re-profiled budgets of £4.354m, resulting in a decrease of £1.659m. 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

11.14 The profiling of all the New Homes scheme capital projects has also been reviewed in light of current progress against agreed projects and agreed utilisation of the unallocated new build budget line to date. As a result, the net budget after bringing forward slippage and re-profiling has been reduced by £8.324m. Of the total budget of £15.391m in 2024/25, £7.06m 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.

## 12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 No other options considered. There is a statutory requirement to approve the HRA outturn.

### BACKGROUND DOCUMENTS:-

#### Previous Committee Reports:-

CAB3417 HRA Outturn report 2022-23	13 Sept 2023
CAB3365 HRA Budget Options 2023-24	15 Nov 2022
CAB3387 Housing Revenue Account Budget 2023-24	9 Feb 2023
CAB3432 HRA Budget Options 2024-25	21 Nov 2023
CAB3445 Housing Revenue Account Budget 2024-25	8 Feb 2024

#### Other Background Documents:-

None

### APPENDICES:

Appendix 1 – Housing Revenue Account Outturn 2023/24 – Subjective Summary

Appendix 2 – Housing Revenue Account Outturn 2023/24 – Service Summary

Appendix 3 – Housing Capital Programme 2023/24 – Housing Services Outturn

Appendix 4 – Housing Capital Programme 2023/24 – New Build Outturn

Appendix 5 – Housing Capital Programme 2023/24 - Funding, Resources and Debt

Appendix 6 – Housing Capital Programme 2023/24 – Re-forecast Budget Major Works

Appendix 7 – Housing Capital Programme 2023/24 – Re-forecast Budget New Build

APPENDIX 1

HRA - INDICATIVE OUTTURN 2023/24

Original Budget	Revised Budget	Indicative Outturn	Variance Outturn to Revised Budget
£000	£000	£000	£000

Report Notes
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Employees	(5,504)	(5,504)	(5,152)	(352)	11.2 a).
Premises	(8,380)	(8,380)	(10,072)	1,692	11.2 b).
Other Costs	(4,542)	(4,560)	(4,269)	(291)	11.2 c).
Net Interest and Depreciation	(15,677)	(15,677)	(15,448)	(229)	11.2 d).
External income	32,600	32,600	33,406	(806)	11.2 e).
<b>Deficit(/) Surplus for year on HRA Services</b>	<b>(1,503)</b>	<b>(1,521)</b>	<b>(1,536)</b>	<b>15</b>	
Right to Buy Admin Fees	29	29	18	10	
Interest receivable	585	585	402	184	11.2 f).
Assets Funded by HRA	0	0	(47)	47	
Net (increase)/decrease in HRA Balance before transfers to or from reserves	(889)	(907)	(1,163)	256	
			0	0	
Transfer to/from Reserves	0	0	(95)	(95)	
(decrease)/Increase in HRA Balance	(889)	(907)	(1,258)	161	
	0	0	0	0	
	0	0	0	0	
<b>HRA Working Balance</b>				0	
Opening Balance	16,052	15,354	15,354	(0)	
Add Projected (Deficit)/Surplus	(889)	(907)	(1,258)	352	
<b>Projected Balance at Year End</b>	<b>15,163</b>	<b>14,447</b>	<b>14,096</b>	<b>352</b>	

## HRA - INDICATIVE OUTTURN 2023/24

Original Budget	Revised Budget	Indicative Outturn	Variance Outturn to Revised Budget
£000	£000	£000	£000

Report Notes

**Service Summary****Housing Management General**

Estate Management	(1,518)	(1,518)	(1,520)	2	
HRA General	(450)	(450)	(404)	(45)	
Tenancy Sustainment	(3,152)	(3,170)	(3,140)	(29)	
Downsizing	(65)	(65)	(48)	(17)	
Rent Accounting	(77)	(77)	(66)	(11)	
Tenants Involvement	(88)	(88)	(47)	(41)	
Vacant Dwellings	(41)	(41)	(124)	83	11.3 a)
New Build Programme Support	(935)	(935)	(815)	(121)	11.3 b)
	(6,325)	(6,343)	(6,165)	(178)	

**Housing Management Special**

Communal Services	(28)	(28)	38	(66)	11.3 c)
Disabled Adaptations	(152)	(152)	(187)	35	
Estate Improvements	(552)	(552)	(519)	(34)	
Homelessness	(347)	(347)	(62)	(285)	11.3 d)
Home ownership	215	215	212	3	
Sewage Works	(406)	(406)	(406)	0	
Sheltered Housing	(1,142)	(1,142)	(1,022)	(120)	11.3 e)
	(2,412)	(2,412)	(1,945)	(466)	

**Repairs**

Responsive Maintenance	(3,237)	(3,237)	(4,233)	996	
Voids	(1,681)	(1,681)	(1,891)	210	
Cyclic	(1,080)	(1,080)	(1,350)	271	
Sub - total Repairs Works	(5,997)	(5,997)	(7,474)	1,477	
Repairs Administration	(1,904)	(1,904)	(1,805)	(99)	
	(7,901)	(7,901)	(9,278)	1,377	11.3 f)

Debt Management Expenses	(9)	(9)	(10)	2	
Interest Payable	(6,857)	(6,857)	(5,235)	(1,622)	11.3 g)
Depreciation of Fixed Assets	(8,821)	(8,821)	(10,214)	1,393	11.3 h)
	(15,686)	(15,686)	(15,459)	(227)	

**Rents and Other Income**

Dwelling Rents	29,951	29,951	30,417	(466)	11.3 i)
Garage Rents	63	63	74	(11)	
Other Income	176	176	196	(20)	
Investment Properties	48	48	85	(37)	
Sheltered Charges	583	583	539	44	
	30,821	30,821	31,311	(490)	

<b>Deficit (/) / Surplus for year on HRA Services</b>	<b>(1,503)</b>	<b>(1,521)</b>	<b>(1,536)</b>	<b>15</b>	
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## APPENDIX 2

## HRA - INDICATIVE OUTTURN 2023/24

Original Budget	Revised Budget	Indicative Outturn	Variance Outturn to Revised Budget
£000	£000	£000	£000

Report Notes
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## Service Summary

Right to Buy Admin Fees	29	29	18	10	
Interest Receivable	585	585	402	184	
Assets financed by HRA	0	0	(47)	47	
<b>Net (increase)/decrease in HRA Balance before transfers to or from reserves</b>	<b>(889)</b>	<b>(907)</b>	<b>(1,163)</b>	<b>256</b>	
Transfer (to)/from Reserves	0	0	(95)	95	
<b>(Increase)/ decrease in HRA Balance</b>	<b>(889)</b>	<b>(907)</b>	<b>(1,258)</b>	<b>352</b>	
	0	0	0	0	
<b>HRA Working Balance</b>					
Opening Balance	16,052	15,354	15,354	0	
Add Projected (Deficit)/Surplus	(889)	(907)	(1,258)	352	
<b>Projected Balance at Year End</b>	<b>15,163</b>	<b>14,447</b>	<b>14,096</b>	<b>352</b>	

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Appendix 3

HRA CAPITAL PROGRAMME INDICATIVE OUTTURN 2023/24

	2023/24 Original Budget	2023/24 Revised Budget	2023/24 Indicative Outturn	2023/24 Variance Outturn to Revised Budget	
	£000	£000	£000	£000	
<b><u>Housing Services Programme</u></b>					
<b><u>Major Repairs</u></b>					
External Envelope Works	(1,500)	(1,500)	(1,784)	284	
External Ground Works	(300)	(300)	(321)	21	
External Window/Door/Screens	(1,192)	(1,192)	(1,001)	(192)	
Internal Structure & Finishes	(2,200)	(2,410)	(2,636)	226	
Kitchen & Bathroom Renewals	(300)	(300)	(518)	218	
Mechanical & Electrical Services	(400)	(400)	(344)	(56)	
	<b>(5,892)</b>	<b>(6,102)</b>	<b>(6,604)</b>	<b>502</b>	11.6 a).
<b><u>Improvements &amp; Conversions</u></b>					
Estate Improvements	(434)	(350)	(16)	(334)	11.6 b).
Sheltered Housing Upgrades	(74)	(20)	0	(20)	
	<b>(508)</b>	<b>(370)</b>	<b>(16)</b>	<b>(354)</b>	
<b><u>Other Capital Spending</u></b>					
Disabled Adaptations	(793)	(793)	(951)	158	
Fire Safety Provision	(507)	(816)	(470)	(345)	11.6 c).
Climate Change Emergency	(1,512)	(2,696)	(750)	(1,946)	11.6 d).
Sewage Treatment Works	(318)	(318)	(106)	(213)	11.6 e).
<b>Total Housing Service Capital Programme</b>	<b>(9,530)</b>	<b>(11,095)</b>	<b>(8,897)</b>	<b>(2,198)</b>	

Report Notes



## HRA CAPITAL PROGRAMME INDICATIVE OUTTURN 2023/24

	2023/24 Original Budget	2023/24 Revised Budget	2023/24 Indicative Outturn	2023/24 Variance Outturn to Revised Budget	Report Notes
	£000	£000	£000	£000	
<b>New Build Programme &amp; Other Capital</b>					
Winnall	(4,727)	(6,496)	(4,370)	(2,127)	11.7 a)
Barton Farm	0	(20)	0	(20)	
North Whitely	(14,123)	(10,932)	(10,995)	64	
Southbrook Cottages	(1,161)	(1,505)	(1,398)	(107)	11.7 b)
Dyson Drive	(201)	(50)	0	(50)	
Woodman Close	(56)	(98)	(114)	15	
CornerHouse	(50)	(27)	0	(27)	
Nutrient Mitigation	(200)	(200)	(90)	(110)	11.7 c)
LAHF Property Acquisitions	0	(12,145)	(10,306)	(1,839)	11.7 d)
	<b>(20,518)</b>	<b>(31,473)</b>	<b>(27,274)</b>	<b>(4,200)</b>	
<b>Total HRA Capital Programme</b>	<b>(30,049)</b>	<b>(42,568)</b>	<b>(36,170)</b>	<b>(6,398)</b>	

## HRA CAPITAL PROGRAMME INDICATIVE FUNDING 2023/24

	Original Budget £000	Indicative Outturn £000	Variance Outturn to Revised Budget £000	Report Notes
<b>Funding Source</b>				
Right to Buy Other Retained receipts	887	4,799	3,912	
Right to Buy 1-4-1 Receipts	4,031	3,412	(619)	
Other Capital Receipts	4,027	1,042	(2,985)	
S.106 Contributions	10,756	0	(10,756)	
CIL	755	0	(755)	
Homes England Grant	306	0	(306)	
LAHF Grant	0	6,495	6,495	
New Build Sales	0	3,568	3,568	
HRA Borrowing	0	12,856	12,856	
Major Repairs Reserve	9,287	4,029	(5,258)	
<b>TOTAL</b>	<b>30,049</b>	<b>36,200</b>	<b>6,151</b>	

**HRA Usable Reserves/Resources**

	Bal 31.3.2023 £000	Bal 31.3.2024 £000	Change £000
HRA Revenue Reserves	15,354	14,096	(1,258)
Earmarked Reserves	174	182	8
Major Repairs Reserve	26,140	32,323	6,184
Right to Buy 1-4-1 Receipts	6,729	4,830	(1,899)
Other Capital Receipts	6,403	156	(6,247)
S.106 Contributions	5,758	10,515	4,757
<b>TOTAL</b>	<b>60,557</b>	<b>62,102</b>	<b>1,544</b>

**HRA Capital Financing Requirement**

	Bal 31.3.2023 £000	Bal 31.3.2024 £000	Change £000
<b>CFR (Underlying need to borrow)</b> (Expenditure funded by Borrowing)	199,777	212,546	12,770
Annual Cost of Debt	5,361	7,230	1,869
Average Cost of Capital to HRA	2.68%	3.40%	0.72%
of Which			
<b>[a] PWLB external debt</b>	156,722	164,722	8,000
Average cost of debt	5,235	5,224	(11)
Average Cost of Capital	3.34%	3.17%	-0.17%
<b>[b] Internal borrowing</b>	43,055	47,824	4,770
Average cost of debt	126	1,995	1,880
Average Cost of Capital	0.29%	4.17%	39.41%

## Appendix 6

### HRA CAPITAL PROGRAMME PROPOSED REVISED BUDGETS 2024/25

2024/25 Original Approved Budget. £000	2024/25 Other Budget Changes £000	2024/25 Proposed B/fwd £000	2024/25 Revised Budget £000
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#### Housing Services Programme

##### Major Repairs

External Envelope Works	(6,110)	4,057	0	(2,053)
External Window/Door/Screens	(725)	(142)	0	(867)
Internal Structure & Finishes	(137)	0	0	(137)
Kitchen & Bathroom Renewals	(708)	(250)	0	(958)
Ground Works	0	(100)	0	(100)
Mechanical & Electrical Services	(2,725)	(343)	0	(3,067)
	<b>(10,405)</b>	<b>3,223</b>	<b>0</b>	<b>(7,182)</b>

##### Improvements & Conversions

Estate Improvements	(534)	518	(334)	(350)
Sheltered Housing Upgrades	(154)	0	(20)	(174)
	<b>(688)</b>	<b>518</b>	<b>(354)</b>	<b>(524)</b>

##### Other Capital Spending

Disabled Adaptations	(815)	(358)	158	(1,015)
Fire Safety Provision	(1,176)	521	(345)	(1,000)
Climate Change Emergency	(4,906)	450	(1,946)	(6,402)
Sewage Treatment Works	(659)	0	(207)	(866)
	<b>(7,556)</b>	<b>613</b>	<b>(2,341)</b>	<b>(9,284)</b>
<b>Total HS Capital Programme</b>	<b>(18,649)</b>	<b>4,354</b>	<b>(2,695)</b>	<b>(16,990)</b>

## Appendix 7

### HRA CAPITAL PROGRAMME PROPOSED REVISED BUDGETS 2024/25

2024/25 Original Approved Budget. Budget. £000	2024/25 Other Budget Changes £000	2024/25 Proposed Bfwd £000	2024/25 Revised Budget £000
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#### New Build Programme & Other Capital

Winnall	0	(861)	(2,097)	(2,958)
Barton Farm	0	20	(20)	0
Southbrook Cottages	0	(332)	(107)	(439)
Dyson Drive	0	50	(50)	0
Woodman Close	(56)	0	15	(41)
CornerHouse	(986)	1,013	(27)	0
Nutrient Mitigation	(600)	310	(110)	(400)
LAHF Property Acquisitions	0	0	(1,839)	(1,839)
New build major repairs	(46)	46	0	0
Unallocated sites	(13,703)	12,343	0	(1,360)
<b>Total New Build Programme</b>	<b>(15,391)</b>	<b>12,589</b>	<b>(4,235)</b>	<b>(7,037)</b>
<b>Total HRA Capital Programme</b>	<b>(34,040)</b>	<b>16,943</b>	<b>(6,930)</b>	<b>(24,027)</b>