



COUNCIL: 26 February 2020

Report of: Corporate Director of Place & Community

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SUBJECT: HOUSING ACCOUNT – REVENUE AND CAPITAL PROGRAMME

Wards Affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To enable the Council to set its Housing Revenue Account (HRA) budget and capital investment programme for the next financial year.

2.0 RECOMMENDATIONS

2.1 That the Rent and Service Charges set within delegated authority, as detailed in sections 4 and 5 of the report, be noted and endorsed.

2.2 That the comments of Tenants and Residents as set out in Appendix E of the report be considered.

2.3 That the HRA budget and capital investment programme be approved based on the proposals to be presented at the Council meeting by the Housing and Landlord Services Portfolio Holder.

2.4 That the Reserves Policy set out in Appendix C be approved.

2.5 That delegated authority be given to the Director of Place & Community to take all necessary action to implement the decisions of Council.

3.0 BACKGROUND

3.1 The Council must set a budget for its Housing Revenue Account (HRA) before the start of each financial year, and this budget will set out the financial basis for the delivery of services. The budget that is set must enable Council and tenant priorities to be delivered but must also be affordable. In addition it

should comply with best practice requirements on budget setting and meet statutory and accounting regulations.

- 3.2 The financial year 2020/21 represents a return to a rent setting policy by the Government of allowing rent increases of up to CPI +1% per annum, though smaller increases are also allowed. This will aid business planning in the medium term by providing more certainty, ensuring that the real value of rent levels is maintained and could provide funds for further investment in the housing stock. The policy over the last four years of a 1% reduction pa added pressure to the HRA but policy options agreed by Council in July 2016 and October 2016 delivered sufficient savings and efficiencies to secure the HRA's financial position over that period.
- 3.3 The Government published an updated policy statement on rents for social housing in February 2019 and announced that Local Authorities with housing stock will be regulated by the Regulator of Social Housing from 1 April 2020. Members will recall that they were invited to comment on the consultation on a new rent standard between May and July 2019. It is anticipated that the new regulatory regime will be more robust than previously. WLBC also took part in the pilot scheme during 2019/20 to make the transition to the new standard and regulator as smooth as possible.
- 3.4 The sustainable organisational review, (SORP), undertaken by the Council during the last year has created a significantly different organisational structure and working approach. While the HRA itself remains a ring-fenced account for Council house rents and services, changes in the organisational structure have led to changes in the budget structure too.
- 3.5 The HRA budget has been the subject of recent reports to Cabinet, Executive Overview and Scrutiny Committee and Landlord Services Committee. Tenants have also been consulted on the HRA budget position. These reports identified that there was a small draft budget surplus in 2020/21 between the resources available and the expenditure required to deliver agreed service levels and investment plans with some further work still required.

4.0 RENTAL INCOME

- 4.1 As part of the rents pilot mentioned in paragraph 3.3 a thorough review of data relating to formula rents has been undertaken during 2019/20 aimed to ensure correct application of the policy and standard and so aid as smooth a transition to the new regime as possible.
- 4.2 With this in mind and in line with our standard practice, the Director of Place & Community has used her delegated authority to increase the majority of tenant rents by 2.7%, (being September CPI of 1.7% plus 1%), from April 2020.
- 4.3 To ensure compliance with the specific rules of the new rent policy and rent standard, a number of specific rules will also be applied to WLBC rents:

- To ensure strict adherence to the maximum rent increase that is allowed of CPI + 1%, all rents with this increase will be rounded down to the nearest penny. The effect in any individual year is negligible and penny differences over time will be corrected each time a property is re-let
- Around 5% of properties will have an increase in rent of between 0% and 1.7%, (being September 2019 CPI), rounded down if applicable

4.4 There are a number of other factors that influence the rent budget:

- The number of properties within the Housing Stock which will be influenced by Right to Buy Council house sales (which is outside the Council's control), the number of homes built or purchased, and the number of homes demolished as part of revival and development projects
- Void levels are assumed to be around 1%
- The full roll out of Universal Credit continues to be an area requiring close monitoring but the effect so far has been a relatively modest increase in arrears which in turn means a modest increase in the contribution to the bad debt provision. This can be accommodated within a budget for contribution to bad debts of £160k.

5.0 OTHER CHARGES

5.1 A general principle is applied to service charges that they should be calculated to ensure that they are sufficient to recover the cost of service provision. In addition the Government has advised, but not directed, that it would expect service charge increases to be limited to CPI + 1% unless there is a very clear rationale.

5.2 In keeping with this principle it is proposed to increase the general level of service charges next year by 2.7% (based on the September CPI rate of 1.7% plus 1.0% in line with our standard practices). In general, the service charges apply to communal properties such as sheltered stock and flats as well as residents who receive the Council's furnishing service.

5.3 There will be a number of exceptions to this general approach including:

- The heating charge for each property in 2020/21 will be calculated based on estimated useage and estimated cost. This means that different charges will apply to different residents. The heating account overall remains in surplus so all residents will have a reduction in their heating charge of 5%, except for around 270 residents who will receive a lower reduction or will have their heating charge unchanged.
- As in 2019/20, garage rents will be increased by CPI (1.7%)

- The 2017/18 painting charge of 14p per week had the standard CPI + 1% uplift applied in 2018/19 but it didn't change the level of the charge to tenants. It is therefore proposed to increase the charge to 15p per week from April 2020. While this is more than 2.7%, the 1 pence increase factors in 2019/20 as well as 2020/21.

5.4 There are a number of changes to service charges for leaseholders with some charges going up and others going down. As much as possible reductions in one set of charges have been offset against increases in the others, though some leaseholders will see an overall increase in their bill in excess of 2.7%. To avoid excessive increases in one year we are proposing to phase the increases over two or three years in some cases. Overall there are less than 20 leaseholders with an increase more than £50 for the coming year.

6.0 REVENUE ESTIMATES AND CAPITAL INVESTMENT PROGRAMME

6.1 The base assumptions used in the HRA Business Plan and for the HRA Estimates have previously been reported to Cabinet and Executive Overview and Scrutiny Committee. The HRA revenue estimates for 2020/21 are shown in Appendix A and provide the detailed information that sets out the financial basis for how HRA service objectives will be achieved. They cover all areas of revenue expenditure and income and include changes in the base budget required to roll forward agreed service levels, such as pay and contract inflation, but do not allow for any service improvements.

6.2 The HRA estimates reflect a range of factors including:

- The changes in rents and service charges set out above.
- The new response maintenance ppp, (price per property) and voids ppp contract goes live 1 April 2020 and both budgets have been adjusted to accommodate the projected cost. The voids budget has reduced and the responsive repairs budget increased. The total increase in base budget is around £625k. £230k of unrequired planned maintenance budget has been vired to offset this as well as £82k of budget contingency. A further £69k would have been contractual uplift if we had remained with the previous contracts.
- As a consequence of the point above, budget contingency has been reduced to £260k, around 1% of total HRA expenditure net of recharge income.
- The new ppp contract also delivers electrical testing on a five year cycle at a cost of around £195k per annum. £100k was approved by Council last year so £95k per annum has been moved from the previously approved five year capital budget and added to the existing revenue budget, the effect is revenue budget neutral with a £95k saving on the housing capital budget.
- Since the Government introduced the 1% pa rent reductions many of the HRA savings each year were allocated to the budget and efficiency savings

reserve. Now that rents are increasing again the remaining balance in the reserve will be released. In addition, it is proposed that £460k of the projected favourable budget variance in the current financial year will be used to support the budget position in 2020/21. This helps balance the 2020/21 budget and frees-up funding that no longer needs to be held in reserve.

- To ensure that the HRA budget reflects the new operating and reporting structure, several services have been moved out of the HRA to central services, with a proportion then recharged back to the HRA. The effect is a large reduction in the HRA salary budget, (direct staff), and a large increase in recharges to the HRA for support services. The overall impact of the SORP proposals should lead to improved efficiency and effectiveness.
- In addition, savings of around £0.3m have been made in the HRA due to posts being removed from the organisational structure.
- The latest actuarial valuation of the Lancashire pension fund identifies that the previous deficit is virtually gone, and that the fund is now 99% funded. This means that payments to reduce the deficit can be significantly reduced. This is partially offset by an increase in the WLBC employer's superannuation payments for current employees, from 16.3% to 19%. The overall effect though is a significant saving compared to current budgets.
- In anticipation of cheaper insurance rates £28k has been removed from various insurance budgets. There are also small savings from car allowance protection dropping out and telephone savings from the introduction of Skype.
- As part of the policy options approved in 2016, HRA money set aside annually to repay borrowing when it falls due was postponed. 2020/21 represents the end of that period so the budget will include £338k towards debt repayment, and going forward this budget will increase annually in line with inflation.
- The budget for in-year staff savings due to vacant posts and staff churn has been increased to 4% of staff budget.
- Various other virements and adjustments as required to ensure effective financial management.

6.3 The HRA budget report that went to Cabinet and Executive Overview and Scrutiny advised that work would continue on finalising the HRA budget for February Council. The final draft estimates in Appendix A reflect the further work and show a budget surplus before budget issues of £0.331m. The improvement in HRA bottom line from the draft budget that went to Cabinet is primarily due to the reduction in contribution to pension deficit and a modest reduction in recharges compared to initial estimates. There have also been some further amendments to the structure of the budget, listed in the notes to Appendix A.

- 6.4 The Capital Investment Programme for the next 4 years is shown in Appendix B along with initial profiling. These are the remaining 4 years from the five year programme approved by Council in February 2019. The next five year tranche is also included, for information purposes only at this stage. Re-profiling from the 2019/20 mid-year budget agreed at the December Council meeting has been included as have other previously approved housing capital budgets.
- 6.5 In order to manage resourcing and delivery of the required works, the current Housing Investment Plan has been profiled equally throughout the five years to remove peaks and troughs in the expected renewal dates for different components. The 2020/21 budget reflects what can realistically be delivered and this fits with anticipated component renewal dates. There remains £28.06m of the current housing investment plan to deliver, broadly on track with the initial plan, though year's two to four may require some re-profiling forwards and backwards due to:
- The outcome of asset reviews to assess the financial viability of individual stock
 - Delivery contracts due to be tendered for a 2021/22 start
 - Local knowledge from Council staff and findings once particular works actually commence
 - Contractual uplift obligations and changes in stock levels
- 6.6 The previously approved Digital Initiatives budget of £50k per annum was set up to pay for digital projects that related to public sector housing and the HRA. The new organisational structure lends itself better to digital projects being managed centrally, so the £50k capital budget has been moved to the HRA as a £50k revenue contribution to pay for the HRA share of corporate digital capital schemes.
- 6.7 The HRA business plan includes provision for the purchase of affordable homes from the Council's Development Company (whose business plan is the subject of a separate report elsewhere on the agenda). A total cost of £6.154m has been allowed for in the HRA business plan for stage 1 purchases (funded 70% by borrowing and 30% by one for one capital receipts). This spending will be built into the budget when the timing of the works has become clearer.

7.0 CURRENT FINANCIAL POSITION

- 7.1 The HRA mid-year review projected that the budget targets for the year would be met and exceeded and that a favourable budget variance would be achieved. The latest third quarter monitoring has confirmed this position primarily as a result of staffing vacancies generating a favourable budget variance on employee costs, planned revenue works and contingency

budgets not being fully used, and demand-led responsive and void repair costs being below budget. Budgets are being controlled effectively and this puts the HRA in a strong position for the future.

- 7.2 In accordance with best practice the levels of HRA balances and reserves have been reviewed during the budget process to ensure that they are currently sufficient and that they will remain adequate over the medium term. A draft reserves policy reflecting this position is attached at Appendix C.

8.0 BUDGET PROPOSALS

- 8.1 In addition to the roll over budget in continuing services, it is also important to consider new budget issues and areas for development. Appendix D comprises a list of budget issues that Officers have identified and that should be considered as part of the budget process. Members will need to carefully consider those options, and any others that may emerge through the budget process and determine which proposals to include in the final budget to meet service objectives.

- 8.2 The views of tenants and residents have been considered through meeting with the tenant scrutiny group and reviewing the proposed HRA revenue and capital budgets as well as the list of new budget issues. Details of their comments are provided in Appendix E. Members are asked to consider these details when determining their final budget position.

- 8.3 The Portfolio Holder for Housing and Landlord Services has been given delegated authority to submit proposals for consideration at the Council meeting to enable the budget and capital programme to be set. It is anticipated that a set of budget papers will be circulated at the Council meeting to enable this to be achieved.

9.0 SUSTAINABILITY IMPLICATIONS

- 9.1 The Council wants to ensure that the future business plan allows properties to be brought up to a good standard and that appropriate investment can be made at the appropriate time. Business plan modelling enables a well-informed investment plan to be developed in keeping with the requirements of an effective asset management strategy.

10.0 RISK ASSESSMENT

- 10.1 The formal consideration and reporting of the budget estimates is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.

11.0 HEALTH AND WELLBEING IMPLICATIONS

11.1 The health and wellbeing implications arising from this report will be dependent on the budget proposals put forward at the Council meeting. Details of any significant implications will be provided at the Council meeting if required.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The direct impact on members of the public, employees, elected members and / or stakeholders is dependent on the proposals to be put forward at the Council meeting. Therefore no Equality Impact Assessment has been produced at this time. However, an Assessment will be produced and made available at the Council meeting if required.

Appendices

- Appendix A – HRA Revenue Estimates
- Appendix B – Capital Investment Plan
- Appendix C – Reserves Policy
- Appendix D – Budget Issues
- Appendix E – Tenant Views on Budget Proposals

Appendix A

HOUSING REVENUE ACCOUNT

REVENUE ESTIMATES 2020/21

Budget 2020/21	Employees £	Running Expenses £	External income £	Total Cash £	Support Services & Capital Charges £	Net budget £
General Expenses						
Premises Related Expenses	0	162,940	0	162,940	0	162,940
Bad Debts Provision	0	160,000	0	160,000	0	160,000
Capital Programme Contribution	0	0	0	0	8,800,000	8,800,000
Debt Principal Repayment	0	0	0	0	338,033	338,033
Debt Charges	0	0	0	0	3,056,990	3,056,990
Sub-Total	0	322,940	0	322,940	12,195,023	12,517,963
Supervision, Management, Repairs & Maintenance						
Central Administration	224,160	954,290	-436,900	741,550	2,877,309	3,618,859
Income & Financial Inclusion	585,480	88,770	-10,000	664,250	147,300	811,550
<u>Tenancy Services</u>						
Allocations	223,490	73,250	-90	296,650	9,710	306,360
Estate Management	279,420	291,370	-30	570,760	113,610	684,370
Other Tenancy Services	32,470	164,560	-213,770	-16,740	0	-16,740
Elderly & Disabled Support	547,390	406,060	-1,303,550	-350,100	320,070	-30,030
Sub-Total	1,082,770	935,240	-1,517,440	500,570	443,390	943,960
<u>Property Services</u>						
Property Services Management	502,320	1,086,570	-210	1,588,680	-134,390	1,454,290
Caretakers	299,420	140,190	-39,000	400,610	13,000	413,610
Maintenance of Grassed Areas	0	716,590	-29,800	686,790	0	686,790
Responsive & Void Repairs	337,390	3,563,140	-57,160	3,843,370	-13,460	3,829,910
Planned Maintenance	425,670	462,570	-3,640	884,600	-302,320	582,280
Sub-Total	1,564,800	5,969,060	-129,810	7,404,050	-437,170	6,966,880
General Income						
Customer & Client Receipts	0	0	-23,624,930	-23,624,930	0	-23,624,930
Interest	0	0	0	0	-53,980	-53,980
Sub-Total	0	0	-23,624,930	-23,624,930	-53,980	-23,678,910
Transfers to/from Reserves	0	0	0	0	-1,511,190	-1,511,190
Grand Total	3,457,210	8,270,300	-25,719,080	-13,991,570	13,660,682	-330,888

Notes:

1. The HRA budget includes release of the remaining budget and efficiency savings reserve, around £1.051m.
2. Staff budgets reflect the organisational establishment structure which includes SORP and other changes including adjustments for actuarial review, being an increase in employer's pension contribution and a reduction in pension fund deficit contribution.
3. Customer Experience (HRA) and Housing Operations Management have been removed as these services have either been taken from the structure or now sit outside housing. Recharges to the HRA still reflect the HRA share of costs.
4. Within Tenancy Services are the previous Housing Operations categories of Allocations; Estate Management; Elderly Support, (as well as the former Tenancy Services category which is now renamed Other Tenancy Services).
5. Property Services Management includes Housing Compliance, as well as gas servicing which was previously in responsive & void repairs. It also includes electrical ppp testing.
6. Caretakers & Gardeners has been renamed Caretakers to reflect the previous restructure that moved HRA Gardeners to Clean & Green
7. District Heating Service has been moved to Central Administration to recognise where management of the budget is held
8. Recharges, (in Support Services & Capital Charges), in the report to Cabinet were estimates based on an assumed 2% uplift. Final workings have led to a modest improvement in this position.

Budget 2019/20	Running Employees £	Expenses £	External income £	Total Cash £	Support Services & Capital Charges £	Net budget £
General Expenses						
Premises Related Expenses	0	163,230	0	163,230	0	163,230
Bad Debts Provision	0	240,000	0	240,000	0	240,000
Capital Programme Contribution	0	0	0	0	8,766,000	8,766,000
Debt Charges	0	0	0	0	3,056,990	3,056,990
Sub-Total	0	403,230	0	403,230	11,822,990	12,226,220
Supervision, Management, Repairs & Maintenance						
Central Administration	792,940	639,400	-89,300	1,343,040	1,787,840	3,130,880
Customer Experience (HRA)	405,630	78,090	0	483,720	20,360	504,080
Housing Operations						
Housing Operations Management	153,360	3,480	-91,070	65,770	126,780	192,550
Income & Financial Inclusion	595,970	28,260	-9,800	614,430	149,930	764,360
Allocations	223,420	73,870	-90	297,200	9,690	306,890
Tenancy Services	31,080	136,360	-185,470	-18,030	0	-18,030
Estate Management	245,160	314,310	-30	559,440	20,160	579,600
Elderly & Disabled Support	488,640	398,300	-1,152,450	-265,510	310,280	44,770
Sub-Total	1,737,630	954,580	-1,438,910	1,253,300	616,840	1,870,140
Property Services						
Property Services Management	612,290	114,510	-210	726,590	-208,150	518,440
Caretakers & Gardeners	267,230	140,940	-43,420	364,750	13,140	377,890
Maintenance of Grassed Areas	0	716,030	-23,100	692,930	0	692,930
District Heating Service	0	260,050	-260,050	0	0	0
Responsive & Void Repairs	407,000	3,517,610	-56,060	3,868,550	2,350	3,870,900
Planned Maintenance	464,840	764,210	-3,540	1,225,510	-364,320	861,190
Sub-Total	1,751,360	5,513,350	-386,380	6,878,330	-556,980	6,321,350
General Income						
Customer & Client Receipts	0	0	-23,149,480	-23,149,480	0	-23,149,480
Interest	0	0	0	0	-53,980	-53,980
Sub-Total	0	0	-23,149,480	-23,149,480	-53,980	-23,203,460
Transfers to/from Reserves	0	0	0	0	-1,100,000	-1,100,000
Grand Total	4,687,560	7,588,650	-25,064,070	-12,787,860	12,537,070	-250,790

APPENDIX B - CAPITAL INVESTMENT PLAN UNTIL 2023/24

Scheme	20/21 £000's	21/22 £000's	22/23 £000's	23/24 £000's	5 Years 2024-29 £000's
Roofing	2,169	2,169	2,169	2,169	1,073
External Works	1,144	1,004	1,004	1,005	3,031
Heating	823	823	823	821	4,344
Electrics	635	635	635	637	506
Kitchens	633	633	633	632	3,332
Windows & Doors	548	548	548	549	1,392
Bathrooms	501	501	501	500	1,719
Walls	280	280	280	278	2,452
Fire Safety Works	271	271	271	269	0
Communal Services	117	117	117	119	576
Investment Plan	7,121	6,981	6,981	6,979	18,405
Professional Fees	600	600	600	600	
Disabled Adaptations	439	439	439	439	
Contingency	300	300	300	300	
Environmental Programme	200	200	200	200	
Sheltered Upgrades	140	140	140	140	
Other Housing Schemes	1,679	1,679	1,679	1,679	
Total Expenditure	8,800	8,660	8,660	8,658	

Notes

- (1) The four years, (2020/21 to 2023/24), above are those remaining from the five year housing capital programme approved by Council in February 2019.
- (2) The budget highlighted in grey relates to the five years in the stock condition survey from 2024 to 2029, for information only at this stage.
- (3) Year 2 to 10 budgets are expressed in 2020/21 terms, contractual uplift and changes in stock levels will be considered each year as part of budget setting.
- (4) It is anticipated that years 3 to 5 will require profiling forwards and backwards to optimize use of available funds and resources, based on asset reviews as they are carried out, as well as local knowledge.
- (5) 2019/20 budget slipped at mid-year for external works (£140k) has been profiled into 2020/21. Disabled adaptations budget profiled into 2018/19 as part of outturn in July 2019 (£61k pa for four years) has been removed.

- (6) Professional Fees budget relates primarily to capitalised staff salaries to reflect their time in delivering the housing capital programme. Reorganisation savings in HRA staff has led to a reduced value being capitalised and £100k being removed from the fees budget. This budget still has leeway for other capitalisable professional fees if required.

- (7) The Digital Initiatives budget of £50k per annum has been transferred to HRA revenue as an HRA contribution for the HRA share of central digital projects under the new organisational structure.

APPENDIX C

HRA RESERVES POLICY

Reserves Protocol

- 1.1 For each reserve held by the Council there must be a clear protocol setting out:
- The reason for and purpose of the reserve;
 - How and when the reserve can be used;
 - Procedures for the reserve's management and control; and
 - A process and timescale for review of the reserve to ensure continuing relevance and adequacy.
- 1.2 Details for each HRA reserve are set out below. Each reserve is managed and controlled by a Chief Officer. The responsible officer can authorise amounts of up to £10,000 to be taken from a reserve provided that its use is in line with the stated purpose of the reserve.
- 1.3 In addition the responsible officer must also consult with the Housing and / or Finance Portfolio Holders before authorising uses from reserves in excess of £10,000.
- 1.4 Reserves are reviewed and updated as part of the annual budget preparation and as part of the closure of accounts process to ensure that they continue to be required and are adequate in size. Earmarked reserves represent money that has been set aside for a clearly defined purpose, and which is available to meet future expenditure in that area. Balances represent unallocated funds which have not been earmarked and consequently are available to support any service area.
- 1.5 The values shown below for each reserve reflect their current position. The process for closing down the accounts at the year-end will then allow for any outstanding in year commitments and contributions.
- 1.6 The underlying level of reserves is adequate and reflects the HRA's stable financial position.

Description	Purpose	How and When Used	Responsible Officer	Value £000
HRA BALANCES	Balances are held by every organisation and are used to cushion the impact of unexpected events or emergencies, uneven cash flows and to avoid temporary borrowing	Can be used as a general contingency and should be maintained at a level of at least £100 per property.	Head of Housing & Regulatory Services	620

HRA ELEMENT OF INSURANCE FUND	Funds held to meet the Council's self-insured liabilities where this is a more cost effective method of insuring than using an external company	Costs are incurred when insurance claims are settled. The level of the reserve is determined through actuarial reviews	Head of Finance, Procurement & Commercial Property	266
DISTRICT HEATING CHARGES RESERVE	This reserve holds the difference between the income raised from charges to tenants for the District Heating scheme and the cost of running this scheme (primarily gas charges).	It is Council policy to run this scheme on a cost recovery basis, and so it is necessary to maintain this reserve so that any surpluses that are achieved can be carried forward to fund lower charges to tenants in the future than otherwise would be possible	Head of Housing & Regulatory Services	209
REPAIRS RESERVE	This reserve is used to deal with demand led and other spending pressures on the response and void repairs budgets	Can be used as a general contingency for repairs expenditure and should be maintained at a level of at least 10% of the repairs budgets	Head of Housing & Regulatory Services	300
GENERAL SLIPPAGE RESERVE	This reserve is used to carry forward slippage on revenue and capital projects, where required	Enables the funding on schemes that are not completed at the financial year end to be carried forward so that the scheme can be completed in the next financial year	Head of Housing & Regulatory Services	160
BUDGET AND EFFICIENCY SAVINGS	This reserve is available to support the overall budget position	Used to deal with the financial challenges facing the HRA over a medium term period	Head of Housing & Regulatory Services	0

APPENDIX D

BUDGET ISSUES

	Budget Issues	2020/21 £000	2021/22 £000	2022/23 £000
	Capital Expenditure			
1	Construct carbon neutral dwellings	400	400	400
2	Change in standard for smoke detection	300	300	300
3	Solar PV & battery storage on communals	50	-	-
	Sub Total	750	700	700
	Revenue Expenditure			
1	HRA contribution to Implementing IT Strategy	200	-	-
2	HRA contribution to Temp Business Development staffing	90	90	-
3	Additional caretakers for twelve months	40	-	-
4	Rent Sense extension - ongoing	11	12	14
5	Resident STAR survey – ongoing biennial	12	-	14
6	Manage Invasive Plants	5	5	5
7	Five yearly valuation of HRA Assets	80	-	-
8	Temp post in BTLS supporting QL	34	34	-
9	Clean & Green Management - ongoing	60	60	60
	Sub Total	532	201	93
	Total	1282	901	793

APPENDIX E

TENANT VIEWS ON BUDGET PROPOSALS 2020/21

Officers have met with the Tenant Scrutiny Group to review the overall HRA budget position and the budget issues proposed by officers, and answered tenant questions. Having scrutinised the budget proposals tenants are supportive of them, particularly those that seek to address the climate emergency and tenant safety.