

## HRA BASE BUDGET &amp; FINANCIAL PROJECTION (as at February 2013)

|  | Approved<br>2012/13 | Proposed<br>2013/14 | Projection<br>2014/15 | Projection<br>2015/16 | Projection<br>2016/17 | Projection<br>2017/18 | Projection<br>2018/19 | Projection<br>2019/20 | Projection<br>2020/21 | Projection<br>2021/22 | Projection<br>2022/23 | Projection<br>2023/24 |
|--|---------------------|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | £                   | £                   | £                     | £                     | £                     | £                     | £                     | £                     | £                     | £                     | £                     | £                     |
| <b>Income</b>                          |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Rent From Dwellings                    | -10,975,240         | -11,874,330         | -12,196,839           | -12,693,115           | -12,957,499           | -13,228,270           | -13,500,521           | -14,045,959           | -14,069,765           | -14,363,638           | -14,657,147           | -14,966,972           |
| Garage and Shop Rents                  | -102,980            | -130,000            | -136,099              | -141,707              | -146,063              | -149,691              | -153,233              | -156,688              | -160,217              | -163,822              | -167,508              | -171,277              |
| Insurances Recharged                   | -22,400             | -20,000             | -20,500               | -21,013               | -21,538               | -22,076               | -22,628               | -23,194               | -23,774               | -24,368               | -24,977               | -25,602               |
| Other Fees & Charges                   | -242,110            | -180,750            | -180,750              | -180,750              | -180,750              | -180,750              | -180,750              | -180,750              | -180,750              | -180,750              | -180,750              | -180,750              |
| Rechargeable Repairs                   | -39,600             | -20,000             | -20,500               | -21,013               | -21,538               | -22,076               | -22,628               | -23,194               | -23,774               | -24,368               | -24,977               | -25,602               |
| Interest received from Gen Fund        | -20,000             | -20,000             | -20,000               | -20,000               | -20,000               | -20,000               | -20,000               | -20,000               | -20,000               | -20,000               | -20,000               | -20,000               |
| Supporting People Contributions        | -270,000            | -350,000            | -350,000              | -350,000              | -350,000              | -350,000              | -350,000              | -350,000              | -350,000              | -350,000              | -350,000              | -350,000              |
| <b>TOTAL INCOME</b>                    | <b>-11,672,330</b>  | <b>-12,595,080</b>  | <b>-12,924,688</b>    | <b>-13,427,597</b>    | <b>-13,697,388</b>    | <b>-13,972,864</b>    | <b>-14,249,760</b>    | <b>-14,799,785</b>    | <b>-14,828,279</b>    | <b>-15,126,946</b>    | <b>-15,425,359</b>    | <b>-15,740,202</b>    |
| <b>Expenditure</b>                     |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Housing Repairs                        | 3,174,330           | 3,235,959           | 3,316,858             | 3,399,780             | 3,484,774             | 3,571,893             | 3,661,191             | 3,752,721             | 3,846,539             | 3,942,702             | 4,041,270             | 4,142,301             |
| General Management                     | 1,215,820           | 1,316,659           | 1,349,575             | 1,383,314             | 1,417,897             | 1,453,345             | 1,489,678             | 1,526,920             | 1,565,093             | 1,604,221             | 1,644,326             | 1,685,434             |
| Managing Tenancies                     | 13,090              | 15,360              | 15,744                | 16,138                | 16,541                | 16,955                | 17,378                | 17,813                | 18,258                | 18,715                | 19,183                | 19,662                |
| Rent Collection & Accounting           | 32,080              | 29,280              | 30,012                | 30,762                | 31,531                | 32,320                | 33,128                | 33,956                | 34,805                | 35,675                | 36,567                | 37,481                |
| Sheltered & Other Services             | 930,900             | 888,726             | 910,944               | 933,717               | 957,060               | 980,987               | 1,005,511             | 1,030,649             | 1,056,415             | 1,082,826             | 1,109,896             | 1,137,644             |
| Provision for Bad Debts                | 20,000              | 20,000              | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                |
| Capital Charges (old debt)             | 82,720              | 51,872              | 51,751                | 51,629                | 51,508                | 51,386                | 51,265                | 51,143                | 51,022                | 50,901                | 50,779                | 50,658                |
| Depreciation - Dwellings               | 2,636,262           | 2,851,007           | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             | 2,851,007             |
| Interest on Self-Financing Debt        | 1,592,094           | 1,574,805           | 1,574,805             | 1,684,805             | 1,804,805             | 1,904,805             | 2,004,805             | 2,024,805             | 2,024,805             | 2,024,805             | 1,504,805             | 1,504,805             |
| Treasury Management Fees               | 8,000               | 8,000               | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 |
| Capital Expenditure Requirement        | 4,500,000           | 5,500,000           | 5,500,000             | 5,500,000             | 5,500,000             | 3,452,362             | 3,452,362             | 3,452,362             | 3,452,362             | 2,996,741             | 2,996,741             | 2,996,741             |
| Capital Salaries                       | 50,000              | 50,000              | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                |
| Provision for Pay & Grading            | 22,950              | 22,950              | 23,524                | 24,112                | 24,715                | 25,333                | 25,966                | 26,615                | 27,280                | 27,962                | 28,661                | 29,378                |
| <b>TOTAL EXPENDITURE</b>               | <b>14,278,246</b>   | <b>15,564,617</b>   | <b>15,702,219</b>     | <b>15,953,264</b>     | <b>16,217,838</b>     | <b>14,418,392</b>     | <b>14,670,291</b>     | <b>14,845,991</b>     | <b>15,005,586</b>     | <b>14,713,554</b>     | <b>14,361,235</b>     | <b>14,533,111</b>     |
| <b>HRA NET EXPENDITURE</b>             | <b>2,605,916</b>    | <b>2,969,537</b>    | <b>2,777,532</b>      | <b>2,525,667</b>      | <b>2,520,450</b>      | <b>445,528</b>        | <b>420,532</b>        | <b>46,206</b>         | <b>177,308</b>        | <b>-413,392</b>       | <b>-1,064,124</b>     | <b>-1,207,091</b>     |
| Less Depreciation                      | -2,636,262          | -2,851,007          | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            | -2,851,007            |
| <b>HRA Surplus (-) / Deficit</b>       | <b>-30,346</b>      | <b>118,530</b>      | <b>-73,475</b>        | <b>-325,340</b>       | <b>-330,557</b>       | <b>-2,405,479</b>     | <b>-2,430,475</b>     | <b>-2,804,801</b>     | <b>-2,673,699</b>     | <b>-3,264,399</b>     | <b>-3,915,131</b>     | <b>-4,058,098</b>     |
| <b>Appropriation</b>                   |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Set aside for Debt Repayment           | 0                   | 0                   | 0                     | 0                     | 0                     | 2,405,479             | 2,430,475             | 2,804,801             | 2,673,699             | 3,264,399             | 3,915,131             | 4,058,098             |
| Transfer to (-) / from General Reserve | -30,346             | 118,530             | -73,475               | -325,340              | -330,557              | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| <b>HRA GENERAL RESERVE</b>             |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Balance b/f                            | -2,385,226          | -2,415,572          | -2,297,042            | -2,370,518            | -2,695,857            | -3,026,414            | -3,026,414            | -3,026,414            | -3,026,414            | -3,026,414            | -3,026,414            | -3,026,414            |
| Transfer (as above)                    | -30,346             | 118,530             | -73,475               | -325,340              | -330,557              | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| <b>Balance c/f</b>                     | <b>-2,415,572</b>   | <b>-2,297,042</b>   | <b>-2,370,518</b>     | <b>-2,695,857</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     | <b>-3,026,414</b>     |
| <b>DEBT REPAYMENT PROVISION</b>        |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Balance b/f                            | 0                   | 0                   | 0                     | 0                     | 0                     | 0                     | 2,405,479             | 4,835,954             | 7,640,755             | 10,314,454            | 3,578,854             | 7,493,985             |
| Debt repayment set aside               | 0                   | 0                   | 0                     | 0                     | 0                     | 2,405,479             | 2,430,475             | 2,804,801             | 2,673,699             | 3,264,399             | 3,915,131             | 4,058,098             |
| Actual debt repayments                 | 0                   | 0                   | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | -10,000,000           | 0                     | -10,000,000           |

Balance c/f

|   |   |   |   |   |           |           |           |            |           |           |           |
|---|---|---|---|---|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| 0 | 0 | 0 | 0 | 0 | 2,405,479 | 4,835,954 | 7,640,755 | 10,314,454 | 3,578,854 | 7,493,985 | 1,552,083 |
|---|---|---|---|---|-----------|-----------|-----------|------------|-----------|-----------|-----------|

## APPENDIX 2

## Analysis of Change in Base Budget 2013/14 and Projection

|                                 | Projection (£)     | Budget (£)         | Change (£)      |
|---------------------------------|--------------------|--------------------|-----------------|
| <b>Income</b>                   |                    |                    |                 |
| Rent From Dwellings             | -11,701,350        | -11,874,330        | -172,980        |
| Garage and Shop Rents           | -107,550           | -130,000           | -22,450         |
| Insurances Recharged            | -22,960            | -20,000            | 2,960           |
| Other Fees & Charges            | -248,160           | -180,750           | 67,410          |
| Rechargeable Repairs            | -40,590            | -20,000            | 20,590          |
| Interest received from Gen Fund | -20,000            | -20,000            | 0               |
| Supporting People Contributions | -270,000           | -350,000           | -80,000         |
|                                 | <b>-12,410,610</b> | <b>-12,595,080</b> | <b>-184,470</b> |
| <b>Expenditure</b>              |                    |                    |                 |
| Housing Repairs                 | 3,230,320          | 3,235,959          | 5,639           |
| General Management              | 1,246,220          | 1,316,659          | 70,439          |
| Managing Tenancies              | 13,420             | 15,360             | 1,940           |
| Rent Collection & Accounting    | 32,880             | 29,280             | -3,600          |
| Sheltered & Other Services      | 977,540            | 888,726            | -88,814         |
| Provision for Bad Debts         | 20,000             | 20,000             | 0               |
| Capital Charges (old debt)      | 82,500             | 51,872             | -30,628         |
| Interest on Self-Financing Debt | 1,592,094          | 1,574,805          | -17,289         |
| Treasury Management Fees        | 8,000              | 8,000              | 0               |
| Capital Expenditure Requirement | 5,500,000          | 5,500,000          | 0               |
| Capital Salaries                | 50,000             | 50,000             | 0               |
| Provision for Pay & Grading     | 23,520             | 22,950             | -570            |
|                                 | <b>12,776,494</b>  | <b>12,713,610</b>  | <b>-62,884</b>  |
| <b>TOTAL</b>                    | <b>365,884</b>     | <b>118,530</b>     | <b>-247,354</b> |

## Analysis of Change in 10-year Projection to 2022/23

|                                 | 2012/13 (£)         | 2013/14 (£)         | Change (£)        |
|---------------------------------|---------------------|---------------------|-------------------|
| <b>Income</b>                   |                     |                     |                   |
| Rent From Dwellings             | -143,068,730        | -144,562,323        | -1,493,593        |
| Garage and Shop Rents           | -1,345,020          | -1,608,007          | -262,987          |
| Insurances Recharged            | -279,590            | -246,468            | 33,122            |
| Other Fees & Charges            | -3,022,310          | -2,049,610          | 972,700           |
| Rechargeable Repairs            | -494,340            | -263,668            | 230,672           |
| Interest received from Gen Fund | -220,000            | -220,000            | 0                 |
| Supporting People Contributions | -2,970,000          | -3,770,000          | -800,000          |
|                                 | <b>-151,399,990</b> | <b>-152,720,075</b> | <b>-1,320,085</b> |
| <b>Expenditure</b>              |                     |                     |                   |
| Housing Repairs                 | 39,342,110          | 39,428,016          | 85,906            |
| General Management              | 15,177,670          | 15,966,849          | 789,179           |
| Managing Tenancies              | 163,430             | 185,174             | 21,744            |
| Rent Collection & Accounting    | 400,420             | 360,115             | -40,305           |
| Sheltered & Other Services      | 11,905,540          | 10,887,631          | -1,017,909        |
| Provision for Bad Debts         | 220,000             | 220,000             | 0                 |
| Capital Charges (old debt)      | 803,150             | 595,977             | -207,173          |
| Interest on Self-Financing Debt | 19,893,034          | 19,720,144          | -172,890          |
| Treasury Management Fees        | 88,000              | 88,000              | 0                 |
| Capital Expenditure Requirement | 46,302,930          | 46,302,930          | 0                 |
| Capital Salaries                | 550,000             | 550,000             | 0                 |
| Provision for Pay & Grading     | 286,470             | 280,068             | -6,402            |
|                                 | <b>135,132,754</b>  | <b>134,584,903</b>  | <b>-547,851</b>   |
| <b>TOTAL</b>                    | <b>-16,267,236</b>  | <b>-18,135,173</b>  | <b>-1,867,937</b> |
| Opening Balance Increased From  |                     |                     | -1,927,179        |
| To                              |                     |                     | -2,385,226        |
|                                 |                     |                     | <b>-458,047</b>   |
| HRA Reserve                     |                     |                     | -2,018,505        |
| Debt Provision                  |                     |                     | -307,479          |
| Total Change in Resources       |                     |                     | <b>-2,325,984</b> |
| Of which - HRA Reserve          |                     |                     | -458,047          |
| Of which - Revenue Account      |                     |                     | -1,867,937        |
|                                 |                     |                     | <b>-2,325,984</b> |

## HRA BASE BUDGET AND FINANCIAL PROJECTION (as at February 2012)

|   | Approved<br>2012/13 | Proposed<br>2013/14 | Projection<br>2014/15 | Projection<br>2015/16 | Projection<br>2016/17 | Projection<br>2017/18 | Projection<br>2018/19 | Projection<br>2019/20 | Projection<br>2020/21 | Projection<br>2021/22 | Projection<br>2022/23 |
|---|---------------------|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | £                   | £                   | £                     | £                     | £                     | £                     | £                     | £                     | £                     | £                     | £                     |
| <b>Income</b>                                 |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Rent from Dwellings                           | 10,975,240          | 11,701,350          | 11,859,510            | 12,249,910            | 12,596,080            | 12,951,940            | 13,318,980            | 13,958,960            | 14,083,260            | 14,481,940            | 14,891,560            |
| Garage and Shop Rents                         | 102,980             | 107,550             | 111,250               | 115,070               | 118,520               | 122,080               | 125,740               | 129,510               | 133,400               | 137,400               | 141,520               |
| Insurances Recharged                          | 22,400              | 22,960              | 23,530                | 24,120                | 24,720                | 25,340                | 25,970                | 26,620                | 27,290                | 27,970                | 28,670                |
| Other Fees & Charges                          | 242,110             | 248,160             | 254,360               | 260,720               | 267,240               | 273,920               | 280,770               | 287,790               | 294,980               | 302,350               | 309,910               |
| Rechargeable Repairs                          | 39,600              | 40,590              | 41,600                | 42,640                | 43,710                | 44,800                | 45,920                | 47,070                | 48,250                | 49,460                | 50,700                |
| Interest Received from General Fund           | 20,000              | 20,000              | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                |
| Supporting People Contributions               | 270,000             | 270,000             | 270,000               | 270,000               | 270,000               | 270,000               | 270,000               | 270,000               | 270,000               | 270,000               | 270,000               |
| <b>Total Income</b>                           | <b>11,672,330</b>   | <b>12,410,610</b>   | <b>12,580,250</b>     | <b>12,982,460</b>     | <b>13,340,270</b>     | <b>13,708,080</b>     | <b>14,087,380</b>     | <b>14,739,950</b>     | <b>14,877,180</b>     | <b>15,289,120</b>     | <b>15,712,360</b>     |
| <b>Expenditure</b>                            |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Housing Repairs                               | 3,151,530           | 3,230,320           | 3,311,080             | 3,393,860             | 3,478,710             | 3,565,680             | 3,654,820             | 3,746,190             | 3,839,840             | 3,935,840             | 4,034,240             |
| General Management                            | 1,215,820           | 1,246,220           | 1,277,380             | 1,309,310             | 1,342,040             | 1,375,590             | 1,409,980             | 1,445,230             | 1,481,360             | 1,518,390             | 1,556,350             |
| Managing Tenancies                            | 13,090              | 13,420              | 13,760                | 14,100                | 14,450                | 14,810                | 15,180                | 15,560                | 15,950                | 16,350                | 16,760                |
| Rent Collection & Accounting                  | 32,080              | 32,880              | 33,700                | 34,540                | 35,400                | 36,290                | 37,200                | 38,130                | 39,080                | 40,060                | 41,060                |
| Sheltered and Other Services                  | 953,700             | 977,540             | 1,001,980             | 1,027,030             | 1,052,710             | 1,079,030             | 1,106,010             | 1,133,660             | 1,162,000             | 1,191,050             | 1,220,830             |
| Provision for Bad Debts                       | 20,000              | 20,000              | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                | 20,000                |
| Capital Charges (old debt)                    | 82,720              | 82,500              | 75,630                | 73,740                | 72,860                | 71,730                | 71,590                | 70,810                | 69,060                | 66,760                | 65,750                |
| Depreciation - Dwellings                      |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Interest on Main Debt (£57.4m)                | 1,592,094           | 1,592,094           | 1,592,094             | 1,702,094             | 1,822,094             | 1,922,094             | 2,022,094             | 2,042,094             | 2,042,094             | 2,042,094             | 1,522,094             |
| Professional Fees - Treasury Management       | 8,000               | 8,000               | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 | 8,000                 |
| Capital Expenditure Requirement               | 4,500,000           | 5,500,000           | 5,500,000             | 5,500,000             | 5,500,000             | 3,452,362             | 3,452,362             | 3,452,362             | 3,452,362             | 2,996,741             | 2,996,741             |
| Capital Salaries                              | 50,000              | 50,000              | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                | 50,000                |
| Provision for Pensions / Pay & Grading        | 22,950              | 23,520              | 24,110                | 24,710                | 25,330                | 25,960                | 26,610                | 27,280                | 27,960                | 28,660                | 29,380                |
| <b>Total Expenditure</b>                      | <b>11,641,984</b>   | <b>12,776,494</b>   | <b>12,907,734</b>     | <b>13,157,384</b>     | <b>13,421,594</b>     | <b>11,621,546</b>     | <b>11,873,846</b>     | <b>12,049,316</b>     | <b>12,207,706</b>     | <b>11,913,945</b>     | <b>11,561,205</b>     |
| <b>HRA Surplus (Deficit)</b>                  | <b>30,346</b>       | <b>(365,884)</b>    | <b>(327,484)</b>      | <b>(174,924)</b>      | <b>(81,324)</b>       | <b>2,086,534</b>      | <b>2,213,534</b>      | <b>2,690,634</b>      | <b>2,669,474</b>      | <b>3,375,175</b>      | <b>4,151,155</b>      |
| <b>Less set-aside for Debt Repayment</b>      | -                   | -                   | -                     | -                     | -                     | (2,086,534)           | (2,213,534)           | (2,690,634)           | (2,669,474)           | (3,375,175)           | (4,151,155)           |
| <b>Transfer to / from (-) General Reserve</b> | 30,346              | (365,884)           | (327,484)             | (174,924)             | (81,324)              | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>HRA GENERAL RESERVE</b>                    |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Balance b/f                                   | 1,927,179           | 1,957,525           | 1,591,641             | 1,264,157             | 1,089,233             | 1,007,909             | 1,007,909             | 1,007,909             | 1,007,909             | 1,007,909             | 1,007,909             |
| Transfer in / out (as above)                  | 30,346              | (365,884)           | (327,484)             | (174,924)             | (81,324)              | -                     | -                     | -                     | -                     | -                     | -                     |
| <b>Balance c/f</b>                            | <b>1,957,525</b>    | <b>1,591,641</b>    | <b>1,264,157</b>      | <b>1,089,233</b>      | <b>1,007,909</b>      | <b>1,007,909</b>      | <b>1,007,909</b>      | <b>1,007,909</b>      | <b>1,007,909</b>      | <b>1,007,909</b>      | <b>1,007,909</b>      |
| <b>DEBT REPAYMENT PROVISION</b>               |                     |                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Balance b/f                                   | -                   | -                   | -                     | -                     | -                     | -                     | 2,086,534             | 4,300,068             | 6,990,702             | 9,660,176             | 3,035,351             |
| Debt Repayment Set Aside                      | -                   | -                   | -                     | -                     | -                     | 2,086,534             | 2,213,534             | 2,690,634             | 2,669,474             | 3,375,175             | 4,151,155             |
| Debt Repayment                                | -                   | -                   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | (10,000,000)          | -                     |
| <b>Balance c/f</b>                            | <b>-</b>            | <b>-</b>            | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>2,086,534</b>      | <b>4,300,068</b>      | <b>6,990,702</b>      | <b>9,660,176</b>      | <b>3,035,351</b>      | <b>7,186,506</b>      |