Appendix G

Housing Revenue Account – Medium Term Financial Strategy – 2008/09 – 2011/12

Summary HRA	2007/08 Org.	2007/08		2008/09		2009/10		2010/11		2011/12		2012/13	
	Draft Budget	*Increase / (Decrease)*	*Draft Budget*	*Increase / (Decrease)*	*Draft Budget*	*Increase / (Decrease)*	*Draft Budget*	*Increase / (Decrease)*	*Draft Budget*	*Increase / (Decrease)*	*Draft Budget*	*Increase / (Decrease)*	*Draft Budget*
Company Income	(53,653)	(84)	(53,737)	897	(52,756)	(550)	(53,306)	(1,114)	(54,420)	(999)	(55,419)	(1,097)	(56,516)
Chief Executive	248	-	248	5	253	5	258	5	263	6	269	5	274
Housing Management	9,787	769	10,556	997	10,784	(241)	10,543	218	10,761	223	10,984	227	11,211
Business Improvement	2,793	46	2,839	(113)	2,680	(26)	2,654	58	2,712	59	2,771	67	2,838
Finance	1,827	(53)	1,774	180	2,007	44	2,051	44	2,095	(104)	1,991	42	2,033
Building Services - Client	11,908	793	12,701	1,122	13,030	224	13,254	230	13,484	246	13,730	171	13,901
Building Services - Repair Operations	17,898	(792)	17,106	(1,329)	16,569	359	16,928	368	17,296	375	17,671	383	18,054
Corporate	9,192	(679)	8,513	(1,759)	7,433	185	7,618	191	7,809	194	8,003	202	8,205
Total Company Accounts	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Rental Income	(60,225)	(2,175)	(62,400)	(4,279)	(64,504)	(2,894)	(67,398)	(3,022)	(70,420)	(3,156)	(73,576)	(3,295)	(76,872)
Non Dwelling Rents	(2,127)	(46)	(2,173)	-	(2,127)	-	(2,127)	-	(2,127)	-	(2,127)	-	(2,127)
HRA Subsidy	(19,128)	-	(19,128)	3,048	(16,081)	3,029	(13,052)	2,297	(10,755)	1,345	(9,409)	1,456	(7,954)
Leasehold Service Charge Income	(5,330)	-	(5,330)	600	(4,730)	(128)	(4,858)	(131)	(4,990)	(135)	(5,125)	(138)	(5,263)
Tenant Service Charge Income	(6,480)	(527)	(7,008)	(2,104)	(8,585)	(206)	(8,790)	(211)	(9,001)	(216)	(9,217)	(221)	(9,438)
Miscellaneous Income	(4,947)	-	(4,947)	(679)	(5,626)	(106)	(5,732)	(109)	(5,841)	(111)	(5,952)	(113)	(6,064)
Housing Management Costs	5,537	39	5,576	1,287	6,824	156	6,980	160	7,140	163	7,303	167	7,470
Repairs & Maintenance	205	-	205	5	210	5	215	5	221	6	226	6	232
Bad Debt Provision	718	382	1,100	382	1,100	-	1,100	-	1,100	-	1,100	-	1,100
Service Charge Costs	7,221	(275)	6,946	(43)	7,178	179	7,357	184	7,541	189	7,729	193	7,923
Total Managed Accounts	**(84,557)**	**(2,602)**	**(87,158)**	**(1,785)**	**(86,341)**	**36**	**(86,305)**	**(827)**	**(87,132)**	**(1,915)**	**(89,047)**	**(1,946)**	**(90,993)**
Temporary Accommodation Income	(5,885)	27	(5,858)	954	(4,931)	(101)	(5,031)	(106)	(5,137)	(111)	(5,248)	(116)	(5,364)
Housing Management Direct Costs	1,400	-	1,400	35	1,435	36	1,470	37	1,507	38	1,545	39	1,584
Supported Housing Costs	3,081	-	3,081	94	3,175	73	3,248	75	3,322	76	3,398	78	3,476
Repairs & Maintenance	300	-	300	8	308	8	316	8	323	8	332	8	340
Capital Financing Charges	43,447	88	43,535	152	43,599	(149)	43,450	711	44,160	840	45,001	849	45,849
Other Property Costs	2,454	-	2,454	44	2,498	45	2,543	47	2,590	48	2,638	49	2,687
Bad Debt Provisions	31	-	31	-	31	-	31	-	31	-	31	-	31
ALMO Management Fee	40,174	948	41,122	(484)	39,690	224	39,914	779	40,693	656	41,349	745	42,093
Total Retained Accounts	**85,002**	**1,063**	**86,064**	**803**	**85,804**	**136**	**85,940**	**1,550**	**87,490**	**1,555**	**89,045**	**1,651**	**90,696**
TOTAL HOUSING REVENUE ACCOUNT	**445**	**(1,539)**	**(1,094)**	**(982)**	**(537)**	**172**	**(365)**	**723**	**358**	**(359)**	**(2)**	**(296)**	**(297)**

Planned Opening HRA Balance	***(3,878)***	***(3,596)***	***(4,690)***	***(5,227)***	***(5,593)***	***(5,235)***	***(5,236)***
In-Year Use of Balances	*445*	*(1,094)*	*(537)*	*(365)*	*358*	*(2)*	*(297)*
Planned Closing Balance	***(3,433)***	***(4,690)***	***(5,227)***	***(5,593)***	***(5,235)***	***(5,236)***	***(5,534)***

HRA Summary - Budget Variations

Managed and Retained Budgets

Change	2008/09 over 2007/08 £000s	2009/10 over 2008/09 £000s	2010/11 over 2009/10 £000s	2011/12 over 2010/11 £000s	2012/13 over 2011/12 £000s
Rent Increase	-4,017	-3,317	-3,466	-3,622	-3,785
Service Charges	-2,200	-477	-488	-500	-512
New Efficiencies	-1,101	0	0	0	0
ALMO Management Fee	-484	224	779	656	745
Capital Financing Charges	152	-149	711	840	849
New Investment	54	0	0	0	0
Inflation	566	530	542	555	568
Increase In Bad Debts Provision	982	0	0	0	0
Contingency change	500	0	0	0	0
Housing Stock Reduction	1,518	331	348	365	383
Subsidy	3,048	3,029	2,297	1,345	1,456
Total Variations Managed and Retained	**-982**	**172**	**723**	**-359**	**-296**
Company Budgets					
New Investment	911	-73	22	-114	-41
New Efficiencies	-1,160	-444	0	0	0
Existing Efficiencies	-1,064	-100	-100	-100	-100
Inflation	829	841	857	870	886
ALMO Management Fee	484	-224	-779	-656	-745
Total Variations Company	**0**	**0**	**0**	**0**	**0**
Variations - All HRA					
Rent Increase	-4,017	-3,317	-3,466	-3,622	-3,785
Service Charges	-2,200	-477	-488	-500	-512
ALMO Management Fee	0	0	0	0	0
Capital Financing Charges	152	-149	711	840	849
Inflation	1,395	1,371	1,399	1,425	1,454
Increase In Bad Debts Provision	982	0	0	0	0
Contingency change	500	0	0	0	0
Housing Stock Reduction	1,518	331	348	365	383
Subsidy	3,048	3,029	2,297	1,345	1,456
New Investment	965	-73	22	-114	-41
New Efficiencies	-2,260	-444	0	0	0
Existing Efficiencies	-1,064	-100	-100	-100	-100
ALMO Management Fee	0	0	0	0	0
Total Variations All HRA	**-982**	**172**	**723**	**-359**	**-296**

HRA New Investment and Efficiencies

HRA Summary - New Investment

Change	2008/09 over 2007/08 £000s	2009/10 over 2008/09 £000s	2010/11 over 2009/10 £000s	2011/12 over 2010/11 £000s	2012/13 over 2011/12 £000s
Additional Client cost of Refuse Collection	52	0	0	0	0
Additional Tenants Incentive	2	0	0	0	0
Repairs to Aids and Adaptations	200	0	0	0	0
Communications Budget	10	0	0	0	0
Concierge uniforms	19	0	0	0	0
Contractual Costs 1 FTE	162	-11	0	0	0
Governance	13	30	0	0	0
HR and Accommodation Issues	46	-47	0	0	0
Improving Customer Access	30	-30	0	0	0
Improving Customer Feedback 0.5 FTE	52	-5	0	0	0
IT Development Fund	146	0	0	-146	0
Meeting the Needs of Vulnerable Residents	50	0	0	0	0
New Charge for ALMO Client	0	0	0	0	0
Outreach Work 1 FTE	42	-28	2	2	9
Performance Certificates	42	18	0	0	0
Performance Officer 1 FTE	40	0	0	0	0
Potential Procurement Costs 1 FTE	0	0	0	0	0
Procurement Costs	0	0	20	30	-50
Rent Consultation	5	0	0	0	0
Viewing Officers 2 FTE	54	0	0	0	0
Total New Investment	**965**	**-73**	**22**	**-114**	**-41**

HRA Summary - New Efficiencies

Change	2008/09 over 2007/08 £000s	2009/10 over 2008/09 £000s	2010/11 over 2009/10 £000s	2011/12 over 2010/11 £000s	2012/13 over 2011/12 £000s
No lunches at training	-5	0	0	0	0
Delete Housing Manager PA 1 FTE	-37	0	0	0	0
Delete Income Collection Team Leader 1 FTE	-47	0	0	0	0
Delete Former Tenant Arrears Manager 1 FTE	-37	0	0	0	0
Delete Former Tenant Arrears Officers 1.5 FTE	-46	0	0	0	0
Delete Housing Area Office Manager 1 FTE	-37	0	0	0	0
Delete Housing Area Office Admin post 1 FTE	-28	0	0	0	0
Delete Housing Manager /Tenancy Man Officer 1 FTE	-37	0	0	0	0
Reduce materials costs	-108	0	0	0	0
Reduce Operations contractors	-545	0	0	0	0
Delete vacant Surveyor post 1 FTE	-73	0	0	0	0
Reduce Client contractors	-100	0	0	0	0
Reduce AM supplies & services	-2	0	0	0	0
Delete Tenancy Management Officer posts 6 FTE	0	-220	0	0	0
Delete Area Admin posts 3 FTE	0	-84	0	0	0
Delete Team Leader 1 FTE	0	-47	0	0	0
Broadwater Farm Admin Posts 2 FTE	0	-56	0	0	0
Broadwater Farm Hou Man Post 1 FTE	0	-37	0	0	0
Training Support Officer 1 FTE	-41	0	0	0	0
Training Support Officer .6 FTE	0	0	0	0	0
Reduce Market Research (one off)	-17	0	0	0	0
Effect of lower right to buy sales	-826	0	0	0	0
Grounds Maintenance - Second Prune not required	-45	0	0	0	0
Adjustment to Housing Business Unit costs	-230	0	0	0	0
Total New Efficiencies	**-2,260**	**-444**	**0**	**0**	**0**
Net Change	**-1,295**	**-517**	**22**	**-114**	**-41**