

HRA Budget - Rent Increases, Inflation Growth & Efficiencies

Communities & Opportunities

Appendix 2

Proposal Ref	HRA Service Area	Proposal Title	Proposal Description	2024/25 £k	2025/26 £k	2026/27 £k	2027/28 £k	2028/29 £k
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**INCOME**

**Rent & Service Charge Increases**

2425-H1-001	Dwelling Rents	Dwelling rent increases in line with governments policy	Rent increases September CPI + 1% (7.7%), future years assumptions 3% per annum (CPI 2% + 1%)	(3,916)	(2,001)	(1,825)	(2,329)	(3,716)
2425-H2-001	Non Dwelling Rents	Non Dwelling rent increases in line with Dwelling rent increases	Garage Rent increases September CPI + 1% (7.7%), future years assumptions 3% per annum (CPI 2% + 1%)	(84)	(35)	(36)	(38)	(39)
2425-H3-001	Other charges for Services	Other HRA Income increases in line with dwelling rent increases	Service charges increases September CPI + 1% (7.7%), future years assumptions 3% per annum (CPI 2% + 1%)	(255)	(107)	(110)	(114)	(117)
2425-H4-001	Contribution to Expenditure	Rechargeable Repairs - inflation indices	Increases CPI + 1% (7.7%), future years assumptions 3% per annum (CPI 2% + 1%)	(1)	(0)	(0)	(0)	(0)
<b>Total Rent and Service Charge Increases</b>				<b>(4,256)</b>	<b>(2,144)</b>	<b>(1,972)</b>	<b>(2,480)</b>	<b>(3,872)</b>

**EXPENDITURE**

2425-H5-001	Recharges from General Fund for services	Cost of living increase - Recharges	Salary increase of 4.5%, 2% thereafter	127	63	64	65	66
2425-H8-001	General Management	Cost of living increase - Recharges	Salary increase of 4.5%, 2% thereafter	1	6	4	5	5
2425-H9-001	Special Services	Cost of living increase - Recharges	Salary increase of 4.5%, 2% thereafter	2	0	1	2	2
<b>Total Pay Inflation</b>				<b>130</b>	<b>69</b>	<b>69</b>	<b>72</b>	<b>73</b>

**Inflation - General Management Contracts**

2425-H8-002	General Management	Increase in Insurance Fees	Increase reflecting general rise in insurance sector costs, future years assumptions 2%	121	8	8	8	8
2425-H8-003	General Management	Increase in Accounting and Audit Fees	Increase reflecting general rise in Accounting and Audit Fees, future years assumptions 2%	0	0	0	0	0
2425-H8-003	General Management	Increase in Subscriptions	Assumes 2% inflation	0	2	2	2	2
<b>Total Repairs Contract Inflation</b>				<b>121</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>

HRA Budget - Rent Increases, Inflation Growth & Efficiencies continued...

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NPH Inflation

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2425-H8-006	General Management	Increase in Management Fees to NPH	NPH increase mainly due to regulatory compliance requirements	964	691	575	479	506
2425-H9-002	Special Services	Increase in Management Fees to NPH	Changes in Management Fees to NPH	(43)	248	233	230	242
2425-H10-001	Repairs and Maintenance	Increase in Management Fees to NPH	Changes in demand, compliance and regulatory requirements	1,225	(246)	(2)	902	998
<b>Total NPH Inflation</b>				<b>2,145</b>	<b>693</b>	<b>807</b>	<b>1,611</b>	<b>1,746</b>

#### Other Growth

2425-H8-004	General Management	Compliance and Regulatory Requirements	Registration Fees proposed for Landlords, £7 to £8 per dwelling	92	0	0	0	0
2425-H8-005	General Management	Investment General Management Consultancy	Service investment	20	0	0	0	0
2425-H11-001	Depreciation	Increase in depreciation	Reflects estimated changes in stock numbers and valuations	601	300	300	300	300
2425-H12-001	Interest & Financing costs	Increase in Interest & Financing costs	Reflects cost of borrowing and share of investment income	791	830	1,120	597	797
2425-H14-001	Voluntary Repayment Contributions	Introduction of Voluntary Repayment Contributions	Reflects minimum floor of contribution needed based on voluntary revenue provision calculations	1,010	350	574	279	337
2425-H3-002	Other charges for Services	Decrease income for Court Costs recovered	To right size the budget as under achieving	19	0	0	0	0
2425-H10-002	Repairs and Maintenance	Shared Ownership properties	Legacy Daventry District Council Shared Ownership accounted now in the Housing Revenue Account	2	0	0	0	0
2425-H13-001	Provision for Bad Debts	Shared Ownership properties	Legacy Daventry District Council Shared Ownership accounted now in the Housing Revenue Account	9	0	0	0	0
2425-H5-001	Net Recharges from the General Fund	Increase in Recharges from the General Fund to the retained HRA	Reflects Genral Fund services consumed by the HRA.	180	0	0	0	0
2425-H7-001	Rents, Rates, Taxes	Increases to Rents, Rates and Taxes on empty properties	Right size current year budget and cost of living increases applied	40	16	17	17	18
<b>Total Other Growth</b>				<b>2,763</b>	<b>1,496</b>	<b>2,010</b>	<b>1,193</b>	<b>1,452</b>

HRA Budget - Rent Increases, Inflation Growth & Efficiencies continued...

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**Other Efficiencies**

2425-H8-007/8/9	General Management	Recharge from General Fund correction	Review of residual legacy recharge budgets no longer relevant.	(458)	0	0	0	0
2425-H8-0010	General Management	Right size staffing budget within General Management	Based on forecast salary spend	(9)	0	0	0	0
2425-H1-002	Dwelling Rents	Shared Ownership properties	Legacy Daventry District Council Shared Ownership accounted now in the Housing Revenue Account	(62)	0	0	0	0
2425-H8-0011	General Management	Contingent budget right sizing	Decreases in contingency	(374)	(123)	(397)	0	0
<b>Total Other Efficiencies</b>				<b>(903)</b>	<b>(123)</b>	<b>(397)</b>	<b>0</b>	<b>0</b>
<b>Grand Total Rent Increases Inflation Growth &amp; Efficiencies</b>				<b>(0)</b>	<b>(0)</b>	<b>528</b>	<b>406</b>	<b>(591)</b>