

HOUSING REVENUE ACCOUNT DRAFT BUDGET ESTIMATES 2023/24

	Corby Neighbourhood Account Draft Budget 2023/24	Kettering Neighbourhood Account Draft Budget 2023/24	North Northants HRA Draft Budget 2023/24
	£'000	£'000	£'000
INCOME			
Rents - Dwellings Only	20,692	16,763	37,455
Service Charges	641	487	1,128
HRA Investment Income	148	21	169
Total Income	21,481	17,271	38,752
EXPENDITURE			
Repairs and Maintenance	6,440	4,632	11,072
General Management	5,438	2,988	8,426
HRA Self Financing	2,125	4,986	7,111
Revenue Contribution to Capital	4,875	3,268	8,143
Transfer To / (From) Reserves	807	(565)	242
Special Services	1,014	1,257	2,271
Other	782	705	1,487
Total Expenditure	21,481	17,271	38,752
Net Operating Expenditure	0	0	0

CORBY NEIGHBOURHOOD ACCOUNT

	Original Budget 2022/23	Draft Budget 2023/24	Movement	Explanation for Changes in Budget
	£000	£000	£000	
INCOME				
Rents - Dwellings Only	19,480	20,692	1,212	Rent increase of 7% which is in line with the Government's cap.
Service Charges	641	641	0	
HRA Investment Income	20	148	128	Reflects increased investment income due to higher interest rates
Total Income	20,141	21,481	1,340	
EXPENDITURE				
Repairs and Maintenance	5,676	6,440	764	Pay award Changes £264k, increased investment into General R&M Requests from Tenants £500k fund through reserves
General Management	5,275	5,438	163	Pay award Changes £163k
HRA Self Financing	2,125	2,125	0	
Revenue Contribution to Capital	3,876	4,875	999	Increase in RCCO £999k owing to higher Stock Valuation
Transfer To / (From) Reserves	1,972	807	(1,165)	Movement is transfer from reserves (£500k) to fund increased investment into Repairs and Maintenance and restructuring self-financing loan repayments (£400k) and (£265k) to fund the increased RCCO.
Special Services	763	1,014	251	Pay award Changes £60k, Increases in Utility Costs Gas and Electric £191k
Other	454	782	328	Bad Debts £135k, Recharges £193k
Total Expenditure	20,141	21,481	1,340	
Net Operating Expenditure	0	0	0	

KETTERING NEIGHBOURHOOD ACCOUNT

	Original Budget 2022/23	Draft Budget 2023/24	Movement	Explanation for Changes in Budget
	£000	£000	£000	
INCOME				
Rents - Dwellings Only	15,679	16,763	1,084	Rent increase of 7% which is in line with the Government's cap.
Service Charges	443	487	44	Reflects increase in service charges
HRA Investment Income	7	21	14	Reflects increased investment income due to higher interest rates
Total Income	16,129	17,271	1,142	
EXPENDITURE				
Repairs and Maintenance	4,025	4,632	607	Pay award Changes £207k and increased investment into General R&M requests from Tenants £400k
General Management	2,857	2,988	131	Pay award Changes £131k.
HRA Self Financing	4,513	4,986	473	Reduction in Interest Payments (£27k), Increase in Loan repayment £500k.
Revenue Contribution to Capital	2,728	3,268	540	RCCO £540k
Transfer To / (From) Reserves	208	(565)	(773)	Transfer from reserves - (£773k) this includes a transfer of (£565k) for a loan repayment and there was a transfer to reserves in 2022/23 of £208k for one year.
Special Services	1,146	1,257	111	Pay award Changes £45k / Increase in Utility Costs Gas and Electric £66k.
Other	652	705	53	Increase in bad debts £27k and increase in contingency £26k.
Total Expenditure	16,129	17,271	1,142	
Net Operating Expenditure	0	0	0	

Corby Neighbourhood Account - Medium Term Financial Plan

Appendix B

Corby Neighbourhood Account	2023/24	2024/25	2025/26	2026/27	2027/28
	Incremental Changes				
	£000	£000	£000	£000	£000
INCOME					
Total Dwelling Rents	20,692	21,345	21,956	22,583	23,225
Total Service Charges	641	641	641	641	641
Other Income	148	135	170	210	252
Total Income	21,481	22,121	22,767	23,434	24,118
HRA Net Budget	20,141	21,481	22,908	23,873	24,676
MTFP CHANGES					
Salary Inflation / NI Changes	487	386	219	225	232
Repairs & Maintenance	500	(500)	100	100	100
General Inflation / Pressures	191	143	73	81	89
Depreciation / MRR (Add Cap Exp)	999	349	373	247	256
- HRA Self Financing / Loans	0	0	0	0	0
Transfer to / (from) Reserves	(1,165)	965	200	150	150
Contingency	0	84	0	0	0
Contribution to Bad Debts	135	0	0	0	0
Recharges	193	0	0	0	0
HRA Net Revenue Budget	21,481	22,908	23,873	24,676	25,503
Cumulative (Surplus) / Deficit	0	787	1,106	1,242	1,385
Annual (Surplus) / Deficit	0	787	319	136	143

Notes

The amounts shown in the Medium Term Financial Plan (MTFP) reflect the annual change to the budget.

The Council is required by law (Local Government and Housing Act 1989, Section 76) to avoid budgeting for a deficit on the HRA. The Cumulative (Surplus) / Deficit Line reflects the cumulative savings required over the period of the MTFP - whilst this would not be permissible legally it is shown to provide an indication of the scale of savings required over the MTFP. Whereas the Annual (Surplus) / Deficit Line shows the level of savings required annually following a balanced position being set in the previous year.

Kettering Neighbourhood Account - Medium Term Financial Plan

Appendix B

Kettering Neighbourhood Account	2023/24	2024/25	2025/26	2026/27	2027/28
	Incremental Changes				
	£000	£000	£000	£000	£000
INCOME					
Total Dwelling Rents	16,763	17,287	17,826	18,381	18,952
Total Service Charges	487	553	603	628	656
HRA Investment Income	21	13	26	66	106
Total Income	17,271	17,853	18,455	19,075	19,714
HRA Net Budget From Previous Year	16,129	17,271	17,915	18,838	17,601
MTFP CHANGES					
Salary Inflation / NI Changes	383	256	152	156	160
Repairs & Maintenance	400	100	100	0	0
General Inflation / Pressures	66	50	25	28	30
Depreciation / MRR (Add Cap Exp)	540	244	261	167	173
HRA Self Financing / Loans	473	(192)	(518)	(3,088)	0
Transfer to / (from) Reserves	(773)	162	903	1,500	0
Contingency	26	24	0	0	0
Bad Debts	27	0	0	0	0
HRA Net Revenue Budget	17,271	17,915	18,838	17,601	17,964
Cumulative (Surplus) / Deficit	0	62	383	(1,474)	(1,750)
Annual (Surplus) / Deficit	0	62	321	(1,857)	(276)

Notes

The amounts shown in the Medium Term Financial Plan (MTFP) reflect the annual change to the budget.

The Council is required by law (Local Government and Housing Act 1989, Section 76) to avoid budgeting for a deficit on the HRA. The Cumulative (Surplus) / Deficit Line reflects the cumulative savings required over the period of the MTFP - whilst this would not be permissible legally it is shown to provide an indication of the scale of savings required over the MTFP. Whereas the Annual (Surplus) / Deficit Line shows the level of savings required annually following a balanced position being set in the previous year.

Corby Neighbourhood Account - Reserves

Appendix C

	Estimated 31/03/22	Trans to / (from) Reserves 22/23	Projected 31/03/23	Trans to / (from) Reserves 23/24	Projected 31/03/24	Trans to / (from) Reserves 24/25	Projected 31/03/25	Trans to / (from) Reserves 25/26	Projected 31/03/26	Trans to / (from) Reserves 26/27	Projected 31/03/27	Trans to / (from) Reserves 27/28	Projected 31/03/28
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HRA Balance	2,914	0	2,914	0	2,914	0	2,914	0	2,914	0	2,914	0	2,914
HRA Earmarked Revenue Reserves													
HRA Debt Management Reserve	604	1,972	2,576	1,572	4,148	1,772	5,920	1,972	7,892	2,122	10,014	2,272	12,286
Housing Stock Reserves	3,356	0	3,356	(765)	2,591	0	2,591	0	2,591	0	2,591	0	2,591
Total HRA Earmarked Revenue Reserves	3,960	1,972	5,932	807	6,739	1,772	8,511	1,972	10,483	2,122	12,605	2,272	14,877
Total Revenue Reserves	6,874	1,972	8,846	807	9,653	1,772	11,425	1,972	13,397	2,122	15,519	2,272	17,791

Purpose of Reserve

HRA Debt Management Reserve - Reserve to provide resources for the future repayment of borrowing costs for the HRA self-financing transaction.

Housing Stock Reserves - Reserve for future investment in stock.

Kettering Neighbourhood Account - Reserves

Appendix C

Reserves	Estimated 31/03/22 £'000	Trans to / (from) Reserves 22/23 £'000	Projected 31/03/23 £'000	Trans to / (from) Reserves 23/24 £'000	Projected 31/03/24 £'000	Trans to / (from) Reserves 24/25 £'000	Projected 31/03/25 £'000	Trans to / (from) Reserves 25/26 £'000	Projected 31/03/26 £'000	Trans to / (from) Reserves 26/27 £'000	Projected 31/03/27 £'000	Trans to / (from) Reserves 27/28 £'000	Projected 31/03/28 £'000
HRA Balance	850	0	850	0	850	0	850	0	850	0	850	0	850
HRA Earmarked Revenue Reserves													
HRA Self Financing Reserve	897	208	1,105	(565)	540	(403)	137	500	637	2,000	2,637	2,000	4,637
HRA Investment Reserve	499	0	499	0	499	0	499	0	499	0	499	0	499
Total HRA Earmarked Revenue Reserves	1,396	208	1,604	(565)	1,039	(403)	636	500	1,136	2,000	3,136	2,000	5,136
Total Revenue Reserves	2,246	208	2,454	(565)	1,889	(403)	1,486	500	1,986	2,000	3,986	2,000	5,986

Purpose for Reserve

HRA Self Financing Reserve - Reserve to provide resources for the future repayment of borrowing costs for the HRA self-financing transaction.

HRA Investment Reserve - Reserve to provide resources for the repair, replacement and acquisition of Housing Revenue Account property.