

HOUSING REVENUE ACCOUNT DRAFT BUDGET ESTIMATES 2024/25

	Corby Neighbourhood Account Draft Budget 2024/25	Kettering Neighbourhood Account Draft Budget 2024/25	North Northants HRA Draft Budget 2024/25
	£'000	£'000	£'000
INCOME			
Rents - Dwellings Only	22,620	18,347	40,967
Service Charges	622	464	1,086
HRA Investment Income	340	32	372
Total Income	23,582	18,843	42,425
EXPENDITURE			
Repairs and Maintenance	6,372	5,039	11,411
General Management	5,590	3,140	8,730
HRA Self Financing	2,125	4,821	6,946
Revenue Contribution to Capital	5,417	3,865	9,282
Transfer To / (From) Reserves	2,098	(56)	2,042
Special Services	1,089	1,317	2,406
Other	891	717	1,608
Total Expenditure	23,582	18,843	42,425
Net Operating Expenditure	0	0	0

CORBY NEIGHBOURHOOD ACCOUNT

	Original Budget 2023/24	Draft Budget 2024/25	Movement	Explanation for Changes in Budget
	£000	£000	£000	
INCOME				
Rents - Dwellings Only	20,692	22,620	1,928	Rent increase of 7.7% which is in line with the Government Guidelines - this also reflects a 53 week rent year.
Service Charges	641	622	(19)	Reduction to reflect fixed service charges
HRA Investment Income	148	340	192	Reflects increased investment income due to higher interest rates
Total Income	21,481	23,582	2,101	
EXPENDITURE				
Repairs and Maintenance	6,440	6,372	(68)	Pay Award Changes (£280k), part reversal of one-off investment into Repairs and Maintenance (£400k) and an additional on-going investment of £52k into Repairs and Maintenance.
General Management	5,438	5,590	152	Pay Award Changes £152k
HRA Self Financing	2,125	2,125	0	
Revenue Contribution to Capital	4,875	5,417	542	Increase in RCCO £542k owing to higher Stock Valuation
Transfer To / (From) Reserves	807	2,098	1,291	There has been a movement in reserves of £1.291m. Transfers from reserves were made in 23/24 in relation to Repairs & Maintenance (£400k) and for the increase in the RCCO (£265k); these transfers are not required in 2024/25. In addition, further provision for the self financing loan repayments has been made in 2024/25 (£200k) and a transfer to reserves of £426k which reflects the additional rent from a 53 week rent year. The MTFP reflects the use of this in 2025/26.
Special Services	1,014	1,089	75	Pay Award Changes £41k, Increases in Utility Costs Gas and Electric £34k
Other	782	891	109	Increase in contingency £109k
Total Expenditure	21,481	23,582	2,101	
Net Operating Expenditure	0	0	0	

KETTERING NEIGHBOURHOOD ACCOUNT

	Original Budget 2023/24	Draft Budget 2024/25	Movement	Explanation for Changes in Budget
	£000	£000	£000	
INCOME				
Rents - Dwellings Only	16,763	18,347	1,584	Rent increase of 7.7% which is in line with the Government Guidelines - this also reflects a 53 week rent year.
Service Charges	487	464	(23)	Estimated decrease in service charges
HRA Investment Income	21	32	11	Reflects increased investment income due to higher interest rates
Total Income	17,271	18,843	1,572	
EXPENDITURE				
Repairs and Maintenance	4,632	5,039	407	Pay Award Changes (£199k), additional investment for Repairs and Maintenance (£208k).
General Management	2,988	3,140	152	Pay Award Changes £152k.
HRA Self Financing	4,986	4,821	(165)	Reduction in Interest Payments (£95k), decrease in Loan repayment (£97k), interest on new loans £27k related to new build
Revenue Contribution to Capital	3,268	3,865	597	Increase in RCCO £597k owing to higher Stock Valuation
Transfer To / (From) Reserves	(565)	(56)	509	There has been a movement in reserves of £509k. Transfers from reserves were made in 23/24 in self financing loan repayments (£565k). The amount required for 24/25 is £403k resulting in a net movement of £162k. In addition there is a transfer to reserves of £347k which reflects the additional rent from a 53 week rent year. The MTFP reflects the use of this in 2025/26.
Special Services	1,257	1,317	60	Pay Award Changes £37k / Increases in Utility Costs Gas and Electric £23k
Other	705	717	12	Increase in contingency £12k
Total Expenditure	17,271	18,843	1,572	
Net Operating Expenditure	0	0	0	

Corby Neighbourhood Account - Medium Term Financial Plan

Appendix B

Corby Neighbourhood Account	2024/25	2025/26	2026/27	2027/28	2028/29
	Incremental Changes				
	£000	£000	£000	£000	£000
INCOME					
Total Dwelling Rents	22,620	22,881	23,587	24,315	25,062
Total Service Charges	622	622	622	622	622
Other Income	340	378	337	375	443
Total Income	23,582	23,881	24,546	25,312	26,127
HRA Net Budget	21,481	23,582	23,748	25,028	25,942
MTFP CHANGES					
Salary Inflation / NI Changes	473	256	293	339	330
Repairs & Maintenance	(348)	0	100	100	100
General Inflation / Pressures	34	47	51	56	62
Depreciation / MRR (Add Cap Exp)	542	390	260	269	279
- HRA Self Financing / Loans	0	0	0	0	0
Transfer to / (from) Reserves	1,291	(552)	576	150	150
Contingency	109	25	0	0	0
Contribution to Bad Debts	0	0	0	0	0
Recharges	0	0	0	0	0
HRA Net Revenue Budget	23,582	23,748	25,028	25,942	26,863
Cumulative (Surplus) / Deficit	0	(133)	482	630	736
Annual (Surplus) / Deficit	0	(133)	615	148	106

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	2024/25	2025/26	2026/27	2027/28	2028/29
	Incremental Changes				
	£000	£000	£000	£000	£000
INCOME					
Total Dwelling Rents	18,347	18,680	19,369	20,030	20,713
Total Service Charges	464	487	511	538	567
HRA Investment Income	32	51	69	94	124
Total Income	18,843	19,218	19,949	20,662	21,404
HRA Net Budget From Previous Year	17,271	18,843	19,141	18,357	19,873
MTFP CHANGES					
Salary Inflation / NI Changes	388	137	190	195	211
Repairs & Maintenance	0	100	100	100	100
General Inflation / Pressures	223	24	27	29	32
Depreciation / MRR (Add Cap Exp)	597	289	185	192	199
HRA Self Financing / Loans	(165)	(473)	(3,133)	0	(17)
Transfer to / (from) Reserves	509	209	1,847	1,000	(1,000)
Contingency	12	12	0	0	0
Other	8	0	0	0	0
Bad Debts	0	0	0	0	0
HRA Net Revenue Budget	18,843	19,141	18,357	19,873	19,398
Cumulative (Surplus) / Deficit	0	(77)	(1,592)	(789)	(2,006)
Annual (Surplus) / Deficit	0	(77)	(1,515)	803	(1,217)

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 31/03/23 £'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	Trans to / (from) Reserves 28/29 £'000	Projected 31/03/29 £'000
HRA Balance	2,914	0	2,914	426	3,340	(426)	2,914	0	2,914	0	2,914	0	2,914
HRA Earmarked Revenue Reserves													
HRA Debt Management Reserve	2,576	1,572	4,148	1,772	5,920	1,972	7,892	2,122	10,014	2,272	12,286	2,422	14,708
Housing Stock Reserves	3,356	(765)	2,591	(100)	2,491	0	2,491	0	2,491	0	2,491	0	2,491
Total HRA Earmarked Revenue Reserves	5,932	807	6,739	1,672	8,411	1,972	10,383	2,122	12,505	2,272	14,777	2,422	17,199
Total Revenue Reserves	8,846	807	9,653	2,098	11,751	1,546	13,297	2,122	15,419	2,272	17,691	2,422	20,113

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 31/03/23 £'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	Trans to / (from) Reserves 28/29 £'000	Projected 31/03/29 £'000
HRA Balance	850	0	850	347	1,197	(347)	850	1,000	1,850	2,000	3,850	1,000	4,850
HRA Earmarked Revenue Reserves													
HRA Self Financing Reserve	1,105	(565)	540	(403)	137	500	637	1,000	1,637	1,000	2,637	1,000	3,637
HRA Investment Reserve	499	0	499	0	499	0	499	0	499	0	499	0	499
Total HRA Earmarked Revenue Reserves	1,604	(565)	1,039	(403)	636	500	1,136	1,000	2,136	1,000	3,136	1,000	4,136
Total Revenue Reserves	2,454	(565)	1,889	(56)	1,833	153	1,986	2,000	3,986	3,000	6,986	2,000	8,986

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.