

HOUSING REVENUE ACCOUNT DRAFT BUDGET ESTIMATES 2022/23

	Corby Neighbourhood Account Draft Budget 2022/23	Kettering Neighbourhood Account Draft Budget 2022/23	North Northants HRA Draft Budget 2022/23
	£'000	£'000	£'000
INCOME			
Rents - Dwellings Only	19,480	15,679	35,159
Service Charges	641	443	1,084
HRA Investment Income	20	7	27
Total Income	20,141	16,129	36,270
EXPENDITURE			
Repairs and Maintenance	5,676	4,025	9,701
General Management	5,275	2,857	8,132
HRA Self Financing	2,125	4,513	6,638
Revenue Contribution to Capital	3,876	2,728	6,604
Transfer To / (From) Reserves	1,972	208	2,180
Special Services	763	1,146	1,909
Other	454	652	1,106
Total Expenditure	20,141	16,129	36,270
Net Operating Expenditure	0	0	0

CORBY NEIGHBOURHOOD ACCOUNT

	Original Budget 2021/22	Draft Budget 2022/23	Movement	Budget Assumptions
	£000	£000	£000	
INCOME				
Rents - Dwellings Only	18,956	19,480	524	Rent Increase per Government Guidelines 4.10% (CPI +1%) - adjusted for RTB Sales
Service Charges	622	641	19	Reflects increase in costs
HRA Investment Income	69	20	(49)	Reflects lower investment income due to lower level of reserves being held.
Total Income	19,647	20,141	494	
EXPENDITURE				
Repairs and Maintenance	5,550	5,676	126	Payaward / NI Changes £126k
General Management	5,176	5,275	99	Payaward / NI Changes £46k, Supplies & Services £10k, Insurance £18k, HRA Business Plan £25k
HRA Self Financing	12,963	2,125	(10,838)	Repayment of Loan of £10.646m in 2021/22 and lower interest payments of £192k
Revenue Contribution to Capital	3,791	3,876	85	RCCO £85k
Transfer To / (From) Reserves	(8,946)	1,972	10,918	Repayment of Loan £10.646m Increased Trans to Reserves £272k for repayment of Debt.
Special Services	692	763	71	Payaward / NI Changes £11k, Premises £60k
Other	421	454	33	Bad Debts £13k, Contingency £20k
Total Expenditure	19,647	20,141	494	
Net Operating Expenditure	0	0	0	

KETTERING NEIGHBOURHOOD ACCOUNT

	Original Budget 2021/22	Draft Budget 2022/23	Movement	Budget Assumptions
	£000	£000	£000	
INCOME				
Rents - Dwellings Only	15,066	15,679	613	Rent Increase per Government Guidelines 4.10% (CPI +1%) - adjusted for RTB Sales
Service Charges	430	443	13	Reflects increase in costs
HRA Investment Income	7	7	0	
Total Income	15,503	16,129	626	
EXPENDITURE				
Repairs and Maintenance	3,964	4,025	61	Payaward £61k
General Management	2,784	2,857	73	Payaward £39k / Insurance £9k / HRA Business Plan £25k
HRA Self Financing	4,585	4,513	(72)	Interest (£72k)
Revenue Contribution to Capital	2,632	2,728	96	RCCO £96k
Transfer To / (From) Reserves	(119)	208	327	Trans from Reserves in 21/22 £119k Transfer to Reserves 22/23 £208k - Movement £327k
Special Services	1,111	1,146	35	Payaward £13k / Gas and Electric £22k
Other	546	652	106	Contingency £83k, Bad Debts £23k
Total Expenditure	15,503	16,129	626	
Net Operating Expenditure	0	0	0	

Corby Neighbourhood Account - Medium Term Financial Plan

Appendix B

Corby Neighbourhood Account	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
INCOME					
Total Dwelling Rents	19,480	19,739	19,953	20,130	20,307
Total Service Charges	641	654	667	680	694
Other Income	20	30	40	50	60
Total Income	20,141	20,423	20,660	20,860	21,061
HRA Net Budget	19,647	20,141	20,612	20,959	21,415
MTFP CHANGES					
Salary Inflation / NI Changes	183	126	128	131	133
General Inflation / Pressures	113	45	48	52	56
Depreciation / MRR (Add Cap Exp)	85	104	105	107	108
HRA Self Financing / Loans	(10,838)	66	66	66	66
Transfer to / (from) Reserves	10,918	0	0	100	100
Contingency	20	84	0	0	0
Contribution to Bad Debts	13	46	0	0	0
HRA Net Revenue Budget	20,141	20,612	20,959	21,415	21,878
Annual (Surplus) / Deficit	0	189	299	555	817
Cumulative (Surplus) / Deficit	0	189	488	1,043	1,860

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	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
INCOME					
Total Dwelling Rents	15,679	15,979	16,162	16,345	16,530
Total Service Charges	443	452	461	470	479
HRA Investment Income	7	7	7	7	7
Total Income	16,129	16,438	16,630	16,822	17,016
HRA Net Budget From Previous Year	15,503	16,129	16,299	16,133	16,223
MTFP CHANGES					
Salary Inflation / NI Changes	113	78	79	81	82
General Inflation / Pressures	56	26	32	38	46
Depreciation / MRR (Add Cap Exp)	96	67	63	67	67
HRA Self Financing / Loans	(72)	423	(192)	(499)	(2,088)
Transfer to / (from) Reserves	327	(463)	(148)	403	0
Contingency	83	39	0	0	0
Bad Debts	23	0	0	0	0
HRA Net Revenue Budget	16,129	16,299	16,133	16,223	14,330
Annual (Surplus) / Deficit	0	(139)	(497)	(599)	(2,686)
Cumulative (Surplus) / Deficit	0	(139)	(636)	(1,235)	(3,921)

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 31/03/20	Trans to / (from) Reserves 20/21	Projected 31/03/21	Trans to / (from) Reserves 21/22	Projected 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
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
HRA Balance	4,234	0	4,234	0	4,234	0	4,234	0	4,234	0	4,234	0	4,234	0	4,234
HRA Earmarked Revenue Reserves															
HRA Debt Management Reserve	7,900	1,650	9,550	(8,946)	604	1,972	2,576	1,972	4,548	1,972	6,520	2,072	8,592	2,172	10,764
Housing Stock Reserves	3,401	0	3,401	0	3,401	0	3,401	0	3,401	0	3,401	0	3,401	0	3,401
Total HRA Earmarked Revenue Reserves	11,358	1,593	12,951	(8,946)	4,005	1,972	5,977	1,972	7,949	1,972	9,921	2,072	11,993	2,172	14,165
Total Revenue Reserves	15,592	1,593	17,185	(8,946)	8,239	1,972	10,211	1,972	12,183	1,972	14,155	2,072	16,227	2,172	18,399

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 Capital Investment

Kettering Neighbourhood Account - Reserves

Appendix C

Reserves	Actual 31/03/21 £'000	Trans to / (from) Reserves 21/22 £'000	Projected 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
HRA Balance	850	0	850	0	850	0	850	0	850	0	850	0	850
HRA Earmarked Revenue Reserves													
HRA Self Financing Reserve	569	(119)	450	208	658	(255)	403	(403)	0	0	0	0	0
Capital (Investment - HRA)	499	0	499	0	499	0	499	0	499	0	499	0	499
Total HRA Earmarked Revenue Reserves	1,068	(119)	949	208	1,157	(255)	902	(403)	499	0	499	0	499
Total Revenue Reserves	1,918	(119)	1,799	208	2,007	(255)	1,752	(403)	1,349	0	1,349	0	1,349

Purpose for Reserve

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

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