

Public Document Pack



Housing Committee

Wednesday, 10 January 2024 at 7.00 pm

Council Chamber - Civic Centre

Supplementary Agenda

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Runnymede Borough Council TSM Survey (LCRA)

Presentation of results – 10/01/24

Pete Lomax - Acuity





Session outline

- 2023 Survey & National Context
- Key Metrics
- Improvement Suggestions
- Benchmarking
- Understanding satisfaction / Further insight
- Recommendations & next steps



Our History

- Acuity have run resident satisfaction surveys for over 25 years!
- Involved in the development of STATUS, Housemark's STAR framework
- Consulted by the RSH on the TSMs ahead of sector consultation
- Carried out over 3,500 resident surveys for housing providers
- We carry out postal, telephone, SMS/text, online and face-to-face interviews

Each year we carry out...

Perception Surveys (TSM/STAR)

- ✓ 90 one-off STAR/TSM surveys
- ✓ 90 tracking STAR/TSM surveys (serving landlords with from 40 to over 60,000 properties)

Transactional Surveys

- ✓ 200 live surveys (including ASB, complaints, responsive repairs surveys, new lettings, planned maintenance, out-of-hours, and gas servicing)
- ✓ Telephone, online and text

Ad-hoc Surveys

- ✓ Over 30 ad-hoc, deep-dive and specialist small surveys



Introduction

One-off survey - aims:

- Capture 12 Tenant Satisfaction Measures in 2023-24 to report to the Regulator of Social Housing by 30th June 2024 alongside 10 other TSMs and background information
- Provide up-to-date information on their tenants' perceptions of current services
- Compare results against previous 2022 survey results where questions are comparable
- Compare results with other landlords
- Use feedback as a baseline to develop an action plan which will aid service developments and improvements

What we did:

- One-off census survey of 2,770 LCRA & LCHO residents
- Mixed-mode methodology: online, postal and telephone booster survey
- 782 responses – response rate of 28%
 - Online – 434 (55%)
 - Postal (1 mailout) – 221 (28%)
 - Telephone booster – 124 (16%)
- Fieldwork in October and November 2023
- 12 TSMs (& 3 pre-qualifiers) prescribed by RSH, 1 additional open-text question (improving services) & 1 profiling question (ethnicity)
- Weighting applied on age (older residents over-represented, younger residents under-represented)

Rounding has been used throughout – figures may not in all cases add up to 100%

- LCRA (772) & LCHO (10)
- 87% (637) happy to give names against responses and 81% (487) of these happy to be contacted
- Margin of error $\pm 2.9\%$ @ 95% confidence interval (RSH = $\pm 4\%$ with between 2,500 and 9,999 properties)
- Presentation will focus mainly on LCRA results

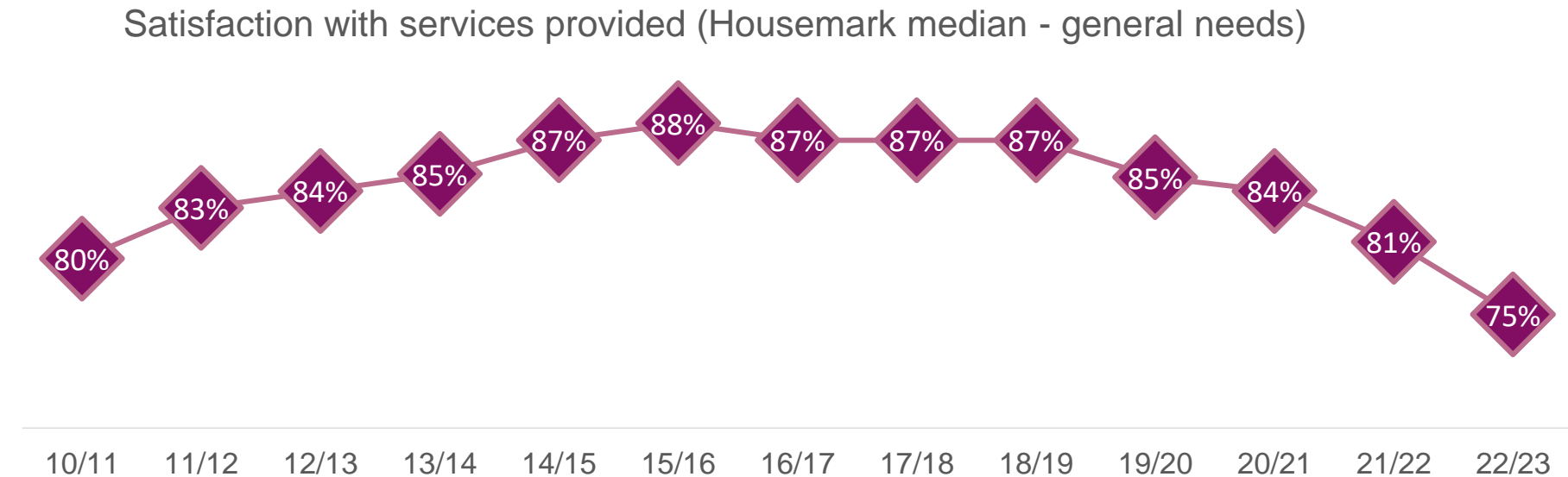
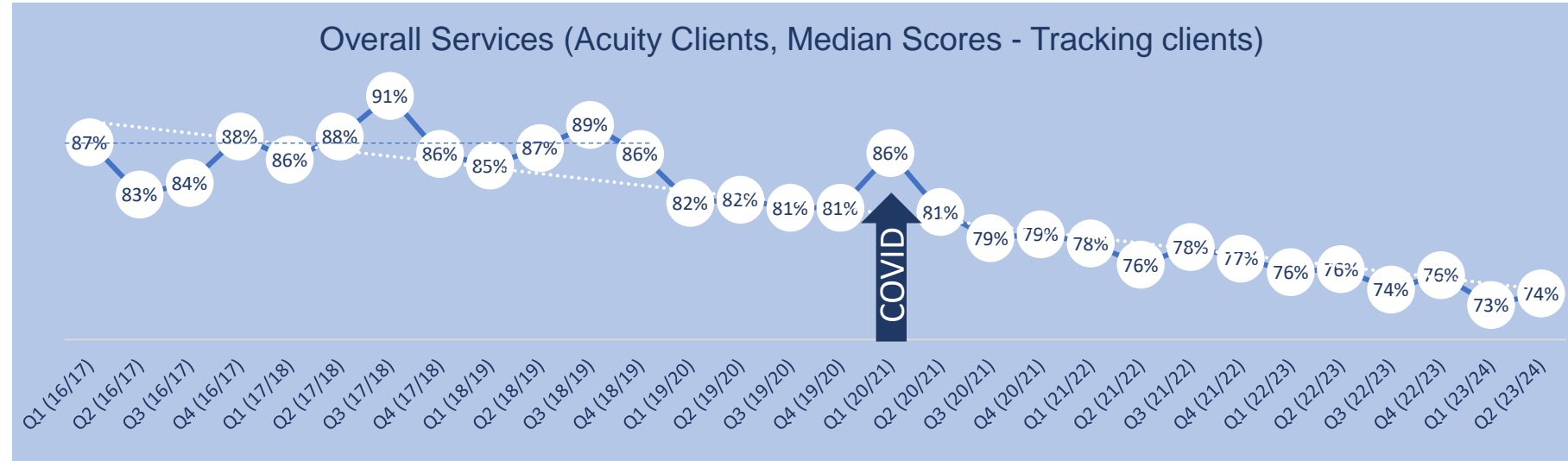
National Context

When considering the results, it is important that the national context and external factors are taken into account.

For example:

- Cost of Living Crisis
- High-profile press articles & Ombudsman
- Covid, Government & Political Changes, Strikes
- Austerity
- Uncertainty about the Future
- Climate changes
- Brexit and the economy

Satisfaction is based on perception rather than specific values so can be affected by these factors and how positive people feel about their lives.

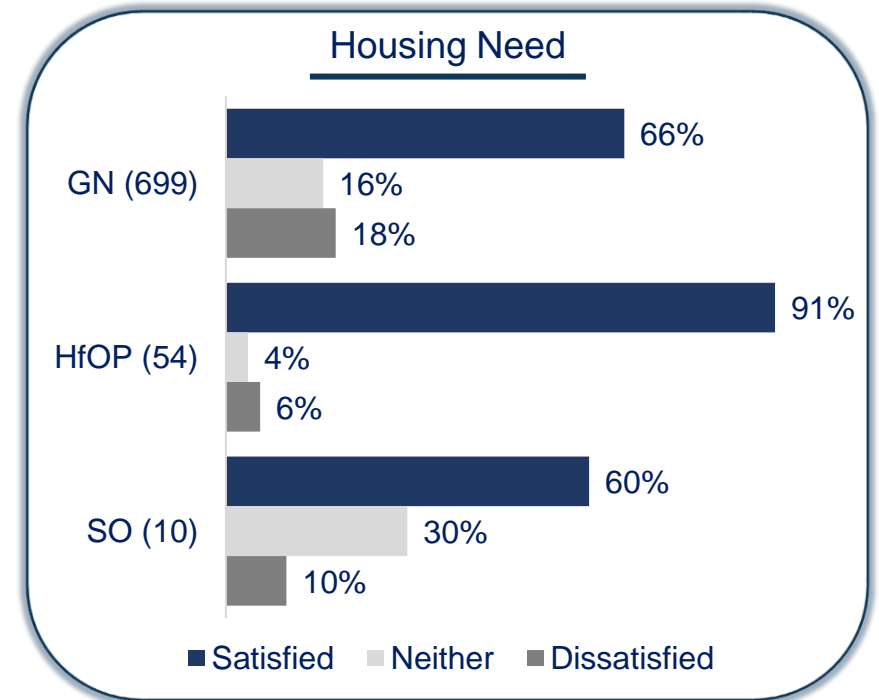
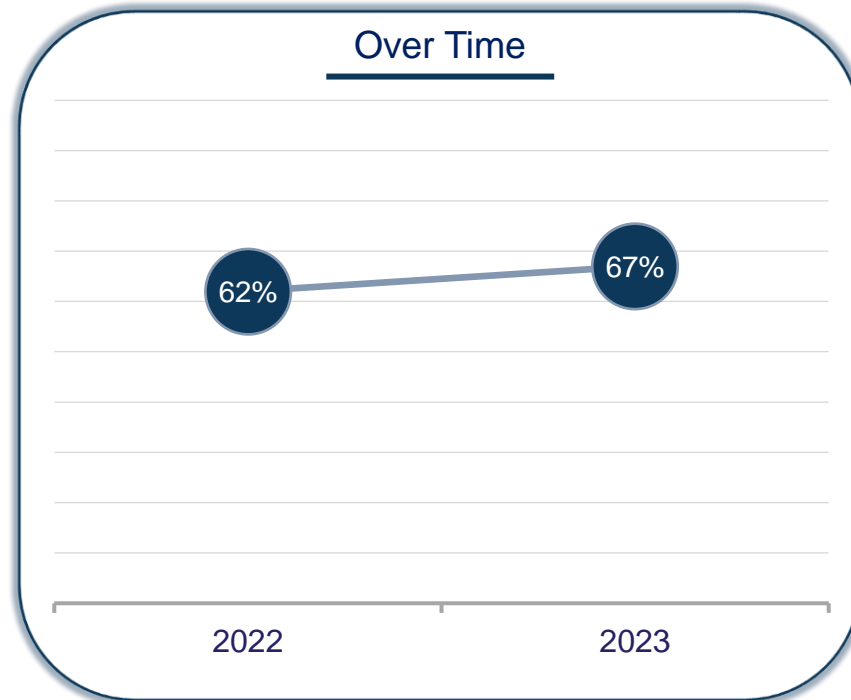
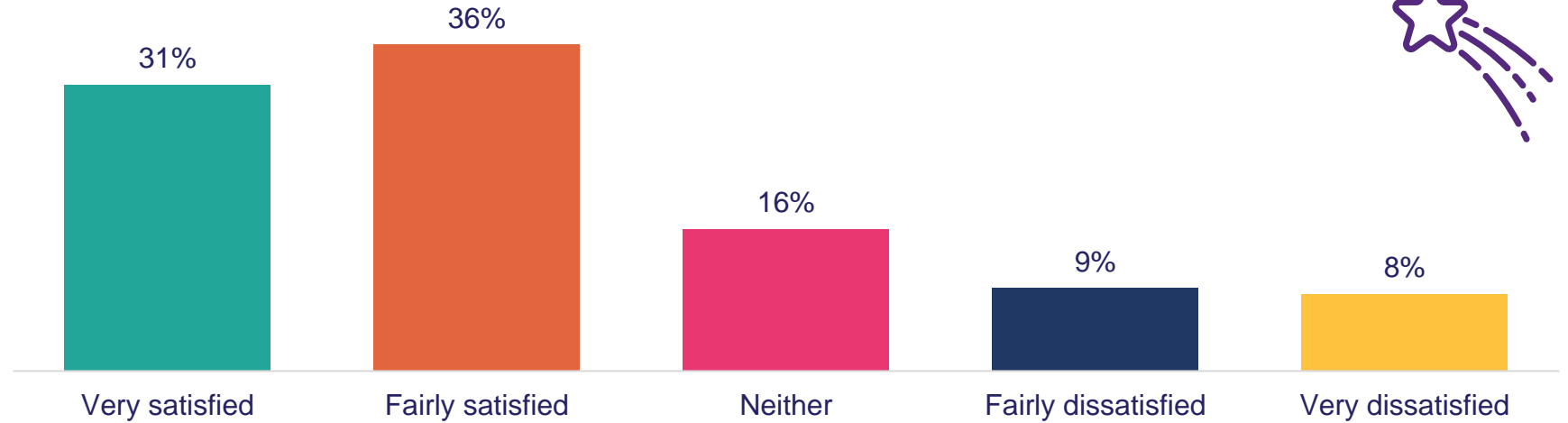




Overall Satisfaction

Residents were first asked, "Taking everything into account, how satisfied or dissatisfied are you with the service provided by Runnymede Borough Council Housing Services?"

- LCRA & LCHO
- 67% satisfied (LCRA – 67% satisfied)
- 17% dissatisfied – Why? Who are they? Where do they live?
- 16% neither satisfied nor dissatisfied – opportunity?
- Satisfaction up 5 percentage points from 2022
- Shared owners (LCHO) less satisfied than general needs and HfOP



Keeping Properties in Good Repair

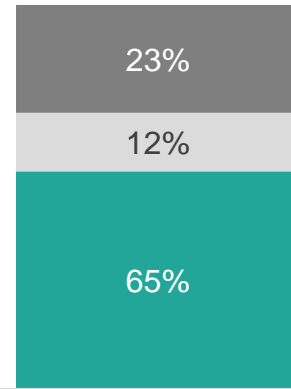
- LCRA only

The home

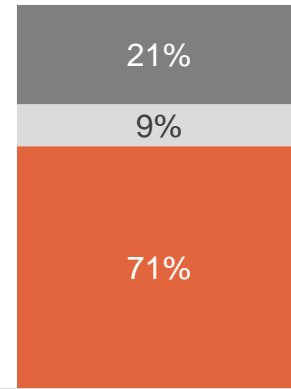
- 65% well maintained
- 71% safe – up 3 p.p. since 2022

Repairs

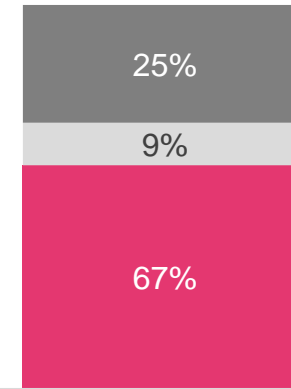
- 68% of tenants said they had a repair carried out in last 12 months
- 67% satisfied with the repairs service in the last 12 months
- 65% time to complete last repair
- HfOP more satisfied than general needs on all measures



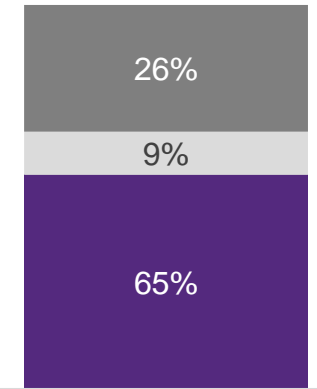
Well maintained home (753)



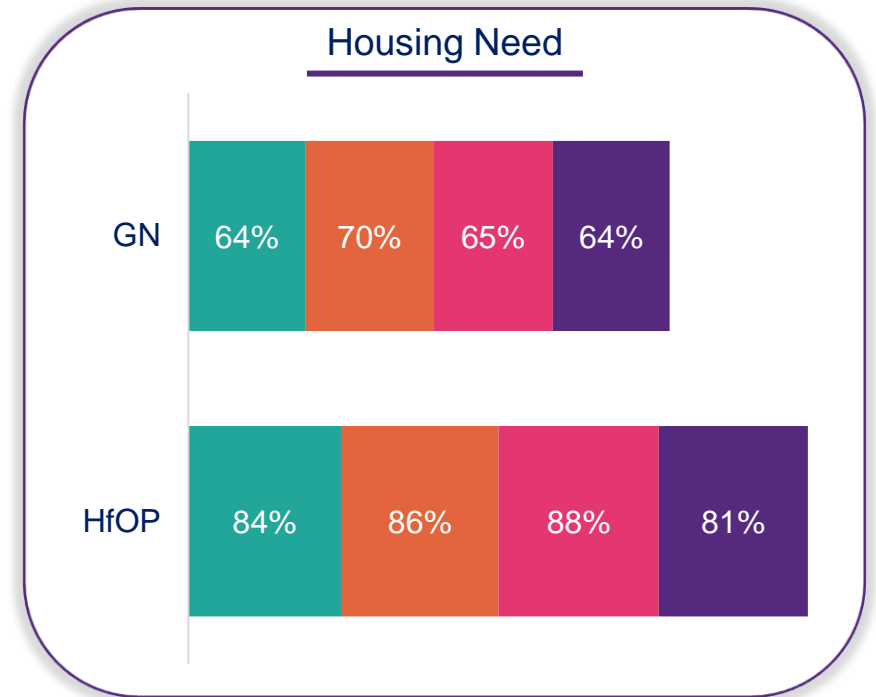
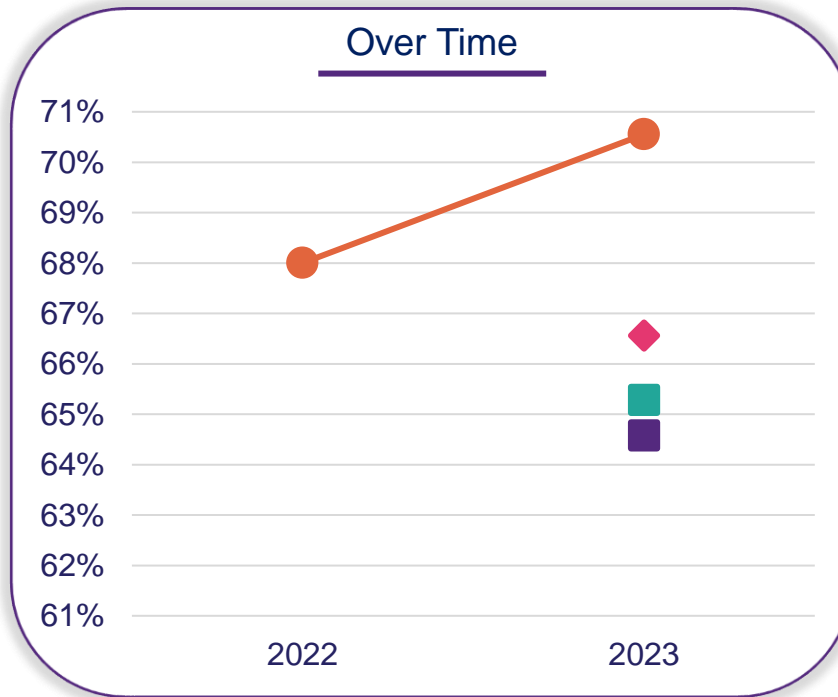
Safe home (755)



Repairs - Last 12 months (481)



Time taken - Last repair (480)



Responsible Neighbourhood Management

- LCRA only

Communal areas

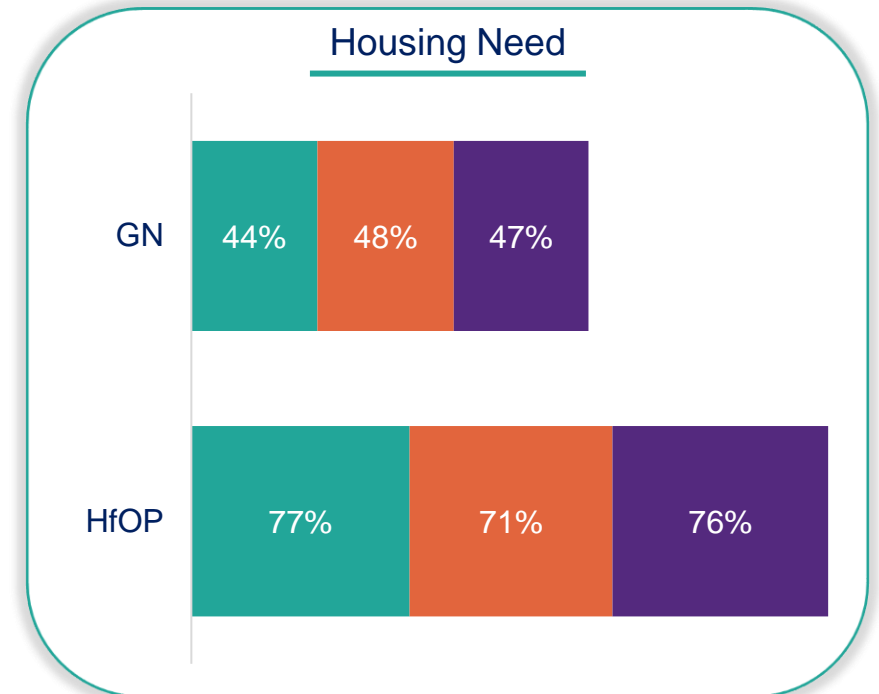
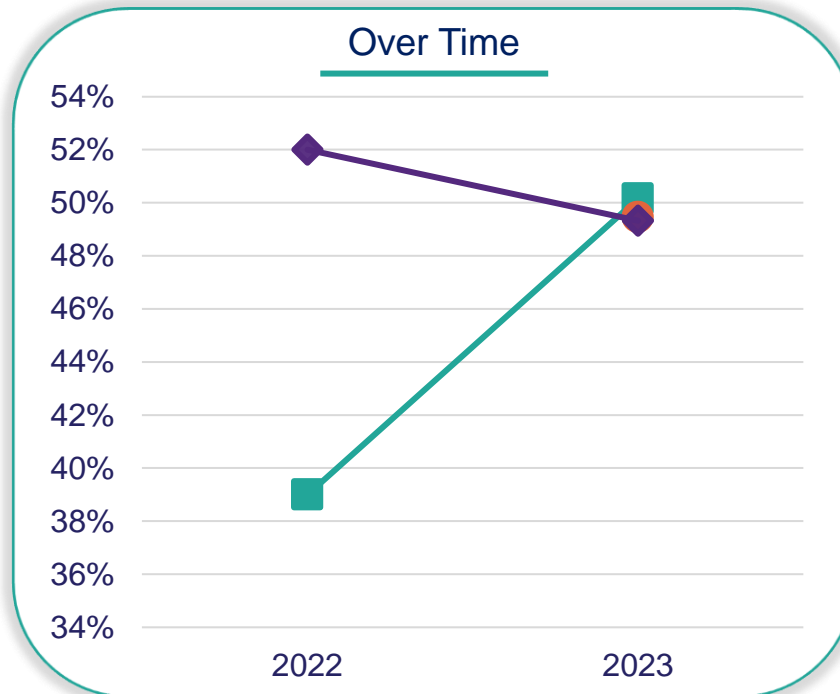
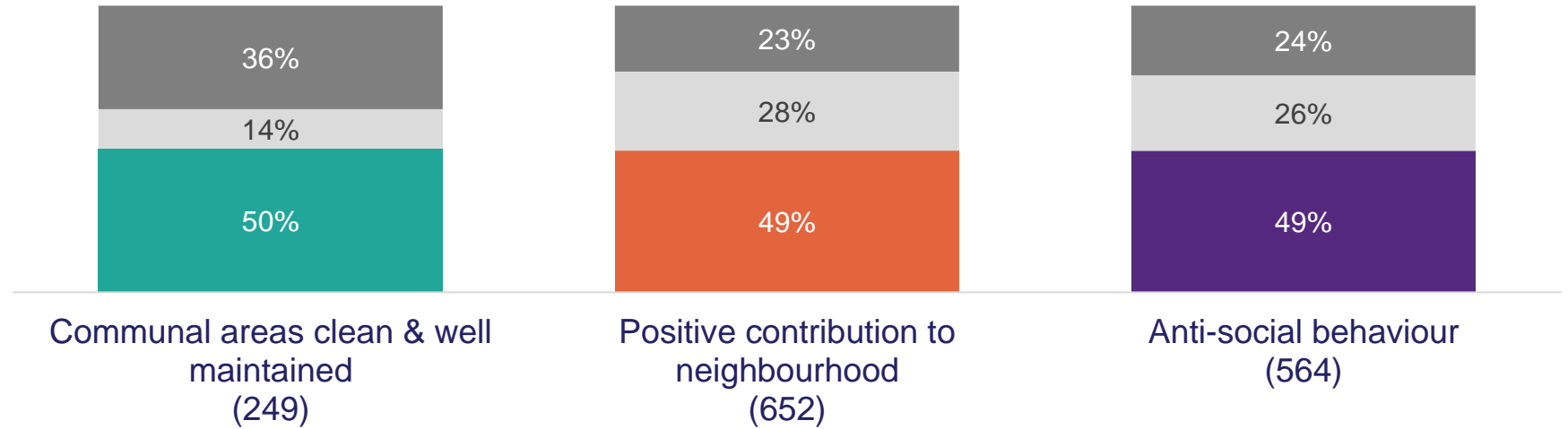
- 37% (263) live in a building with communal areas, either inside or outside
- 50% satisfied they are clean and well-maintained – high dissatisfaction
- Up from 39% in 2022 (11 p.p.)

Positive contribution

- 49% satisfied with positive contribution made by RBC
- 28% neutral

ASB handling

- 49% satisfied with ASB handling – down from 52% in 2022
- 26% neutral



Respectful & Helpful Engagement

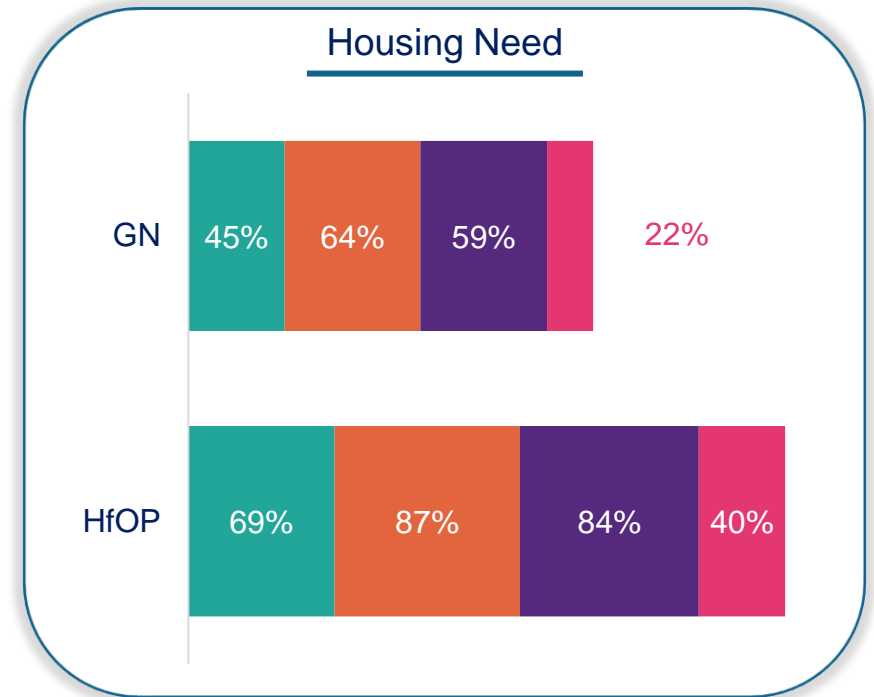
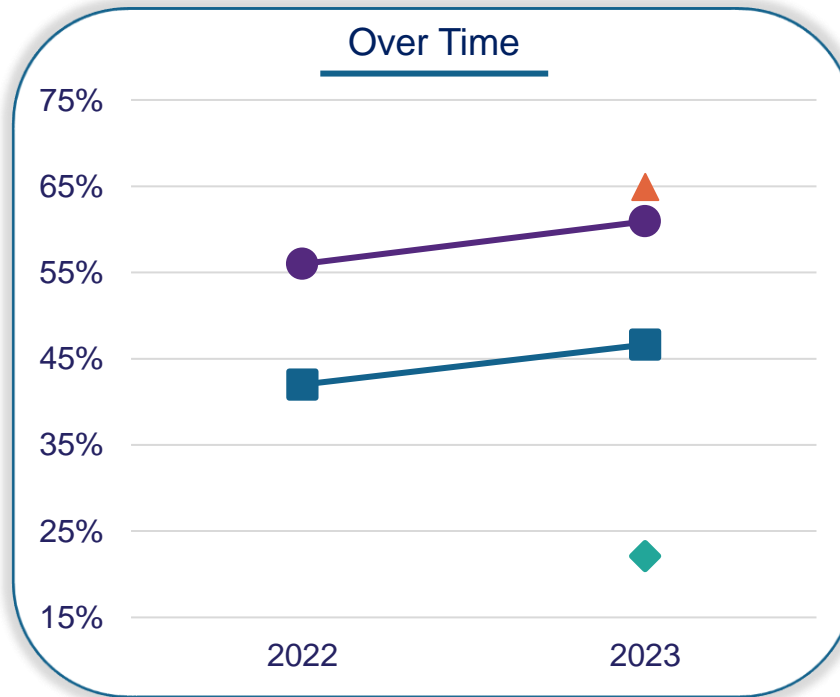
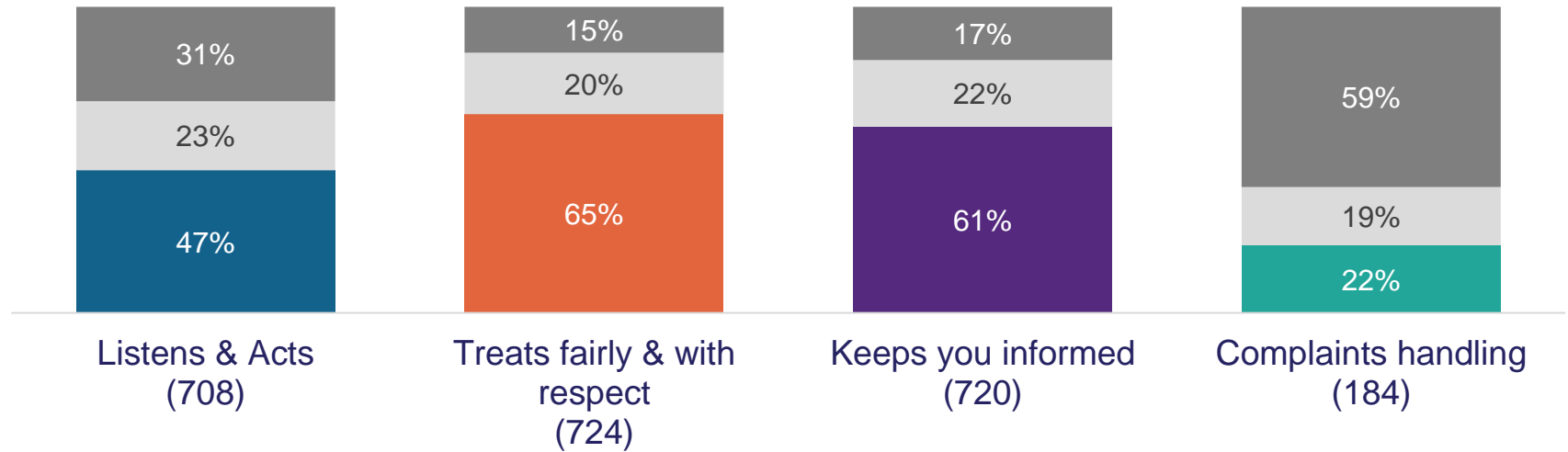
- LCRA only

Communications and engagement

- 65% satisfied they are treated fairly and with respect
- 61% satisfied they are kept informed
- 47% satisfied RBC listens to their views and acts upon them – commonly a lower performing metric
- Listens and acts and keeps informed both up 5 p.p.

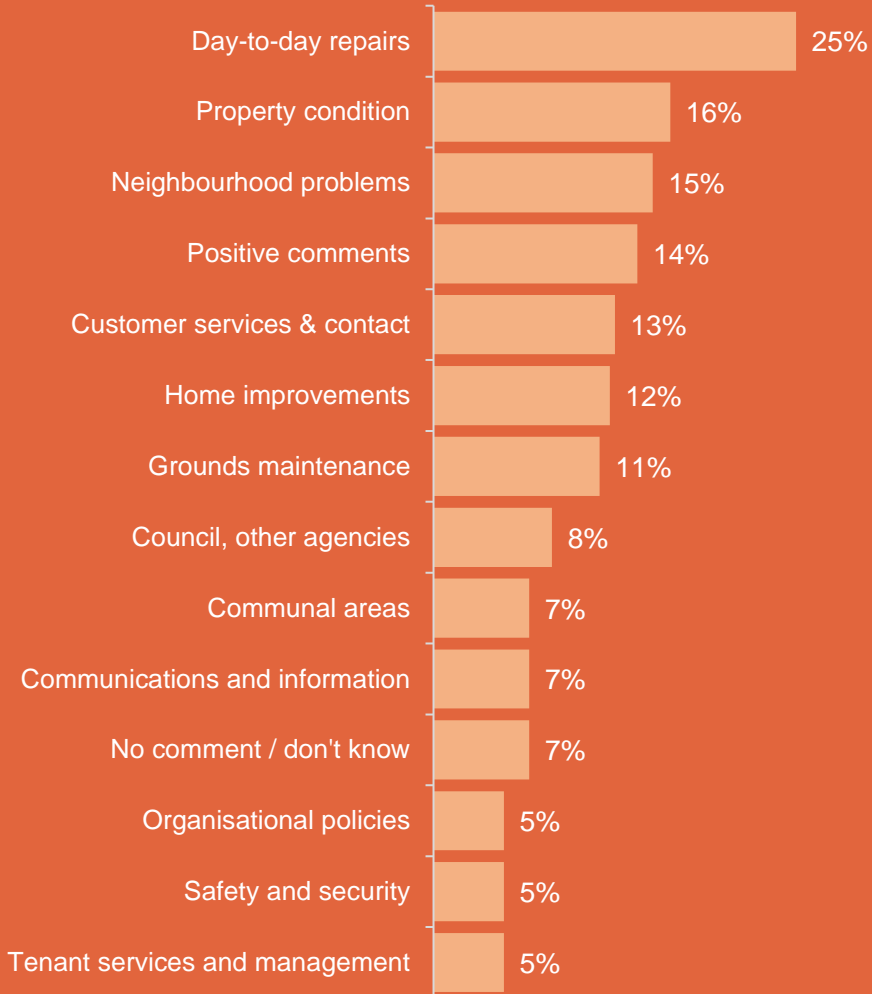
Complaints handling

- 26% (190) said they had made a complaint in the last 12 months (perception – complaints vs. service request; cross-match records)
- 22% satisfaction and 59% dissatisfaction
- What does a complaint mean to tenants? Expectations?



574 respondents (1,113 comments/codes):

- 14% positive
- 7% no suggestion



What is most important for RBC to improve?

Day to day repairs = timescales (49), outstanding work (46), quality of work (23), communication about repair – before work started (19), contractor (19), appointments (14)

Property condition / Home improvements = damp and mould (28), external property maintenance (21), property condition (15), insulation (13)

Neighbourhood problems = car parking, signage and garage areas (37), ASB (32), Drug-related issues (11), Neighbours – noise, alcohol (9)

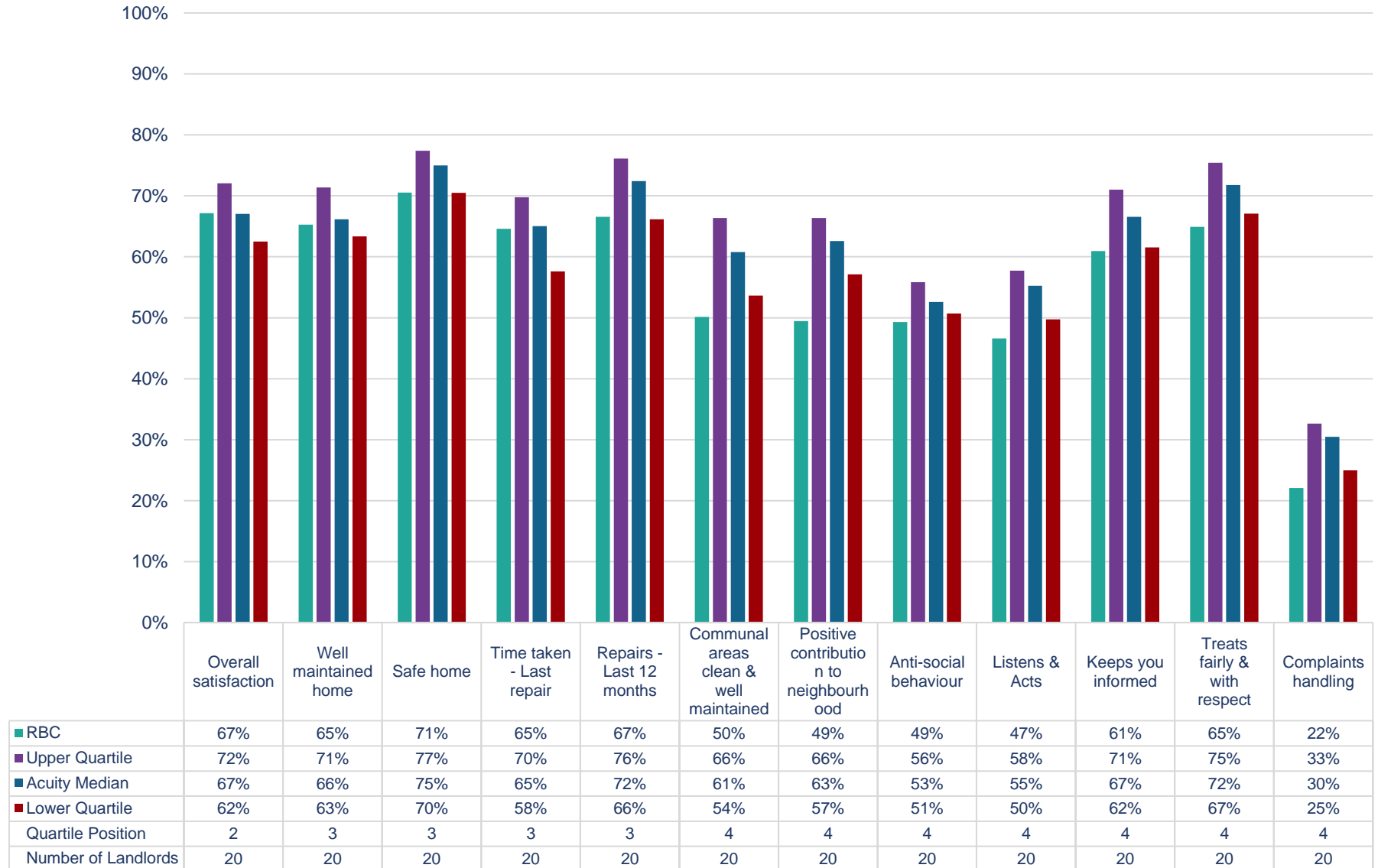
Customer service = care, empathy & support (32), accessibility (10)

Home improvements = new doors or windows (33), new kitchen, bathroom (20)

Benchmarking – Acuity Clients (LCRA - Councils)

Satisfaction Levels Acuity Clients Median Q1 – Q2 23/24

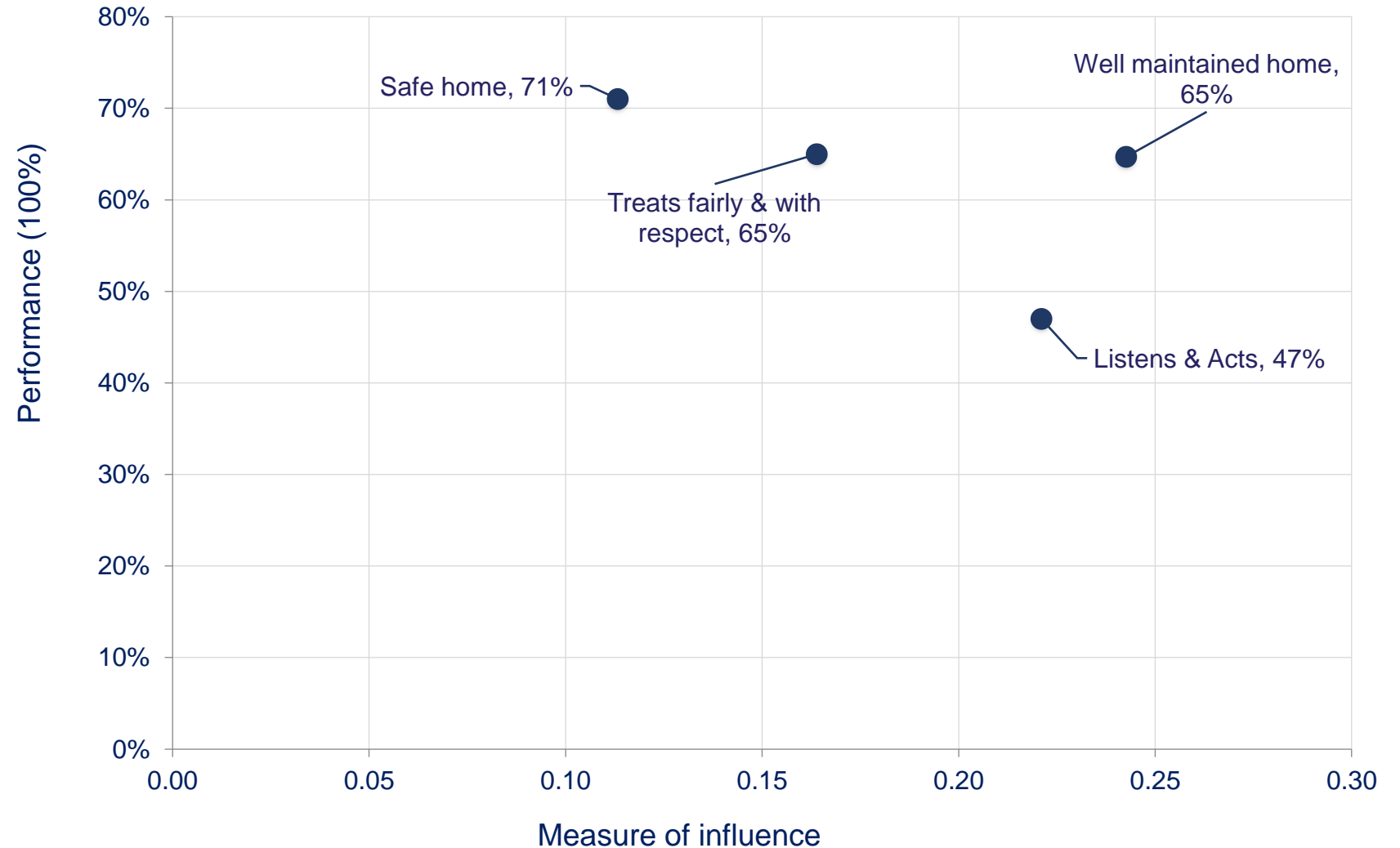
- Overall satisfaction sits at the Acuity median for councils and in the second quartile of performers (sample = 20)
- Time taken to complete last repair also sits at Acuity median (65%)
- Communal areas, the neighbourhood and customer services and communications sit in the lowest quartile



Key Driver Analysis (LCRA)

Key Driver Analysis – Overall Satisfaction

- What drives overall satisfaction is specific to each individual landlord
- Improvements in these areas will help increase satisfaction with overall services
- Well-maintained home & that RBC listens to tenant views and acts upon them are most important drivers of overall satisfaction for RBC



Age Group

- Older residents tend to be more satisfied than younger residents – common trend
- Greatest variance is for repairs service over last 12 months – ranges between 16% and 44% difference

	25 - 34	35 - 44	45 - 54	55 - 59	60 - 64	65 - 74	75 - 84	85+
Overall satisfaction	53%	63%	64%	56%	73%	72%	87%	83%
Well maintained home	49%	54%	57%	61%	73%	74%	89%	82%
Safe home	59%	52%	65%	66%	88%	80%	90%	86%
Repairs - Last 12 months	45%	58%	63%	64%	78%	78%	89%	78%
Time taken - Last repair	57%	54%	58%	60%	78%	74%	82%	78%
Communal areas clean & well maintained	33%	38%	36%	46%	56%	67%	74%	60%
Positive contribution to neighbourhood	35%	39%	47%	43%	60%	55%	68%	54%
Anti-social behaviour	49%	41%	38%	43%	52%	57%	65%	63%
Listens & Acts	37%	32%	42%	42%	52%	52%	70%	64%
Keeps you informed	48%	49%	56%	49%	69%	70%	85%	72%
Treats fairly & with respect	57%	57%	58%	57%	71%	73%	83%	77%
Complaints handling	17%	17%	23%	32%	13%	24%	33%	33%

Base: 0 - 24 = 5, 25 - 34 = 64, 35 - 44 = 114, 45 - 54 = 130, 55 - 59 = 84, 60 - 64 = 85, 65 - 74 = 127, 75 - 84 = 113, 85+ = 50



Response Method

- Most residents completed online (55%), which generally tends to yield lower satisfaction scores (survey method bias)
- Residents who responded by phone were generally the most satisfied

	Online	Postal	Telephone
Overall satisfaction	61%	77%	75%
Well maintained home	59%	74%	74%
Safe home	63%	80%	82%
Repairs - Last 12 months	63%	74%	68%
Time taken - Last repair	62%	70%	67%
Communal areas clean & well maintained	44%	60%	61%
Positive contribution to neighbourhood	45%	55%	60%
Anti-social behaviour	45%	54%	61%
Listens & Acts	40%	55%	58%
Keeps you informed	54%	68%	75%
Treats fairly & with respect	59%	73%	75%
Complaints handling	20%	24%	30%

Base: Online = 429, Postal = 217, Telephone = 123



Summary

Overall satisfaction & improvements - 67% of tenants satisfied with the overall services provided, which sits at the Acuity median for councils. Satisfaction is generally moving in the right direction, though improvements can still be made, especially when results are compared against other Acuity clients

Time taken to complete repairs – Satisfaction with the time taken to complete the last repair performed well against other councils, sitting at the Acuity median. Where RBC performed less well was on customer service & communications and the neighbourhood

Key drivers for RBC – Well-maintained homes and RBC listening to tenant views and acting upon them were the two key drivers of overall satisfaction for RBC tenants and residents. Targeting improvements in these areas may help increase overall satisfaction

How RBC can improve – Residents frequently commented on the timescales to complete repairs and outstanding / forgotten repairs. Comments about parking, improvements to homes (new windows, doors) and general customer service also feature highly

Dissatisfaction – Dissatisfaction was high in a number of areas (*see right*). However, there were also some measures, including overall satisfaction, where there were a significant number of neutral responses.

Complaints handling – Lowest performing metric, which is common. More needs to be done to understand the nature of these complaints and how RBC handles them

Subgroups analysis – Older tenants generally have higher satisfaction than younger tenants, which is a common trend. Different expectations of service?

Response method / survey method bias – much lower ratings from online surveys (overall 61% vs 76% postal and 75% telephone), average drop = 13%, range = 4% to 20%



This research project was carried out to conform with ISO20252:2019 and the MRS Code of Conduct.

For further information on this report please contact:

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Summary of planned activities and service improvements which should improve tenant satisfaction with Housing services

Service Area Requiring Action	Actions Identified to Improve customer satisfaction	Activity	Targets
ASB Case handling	ASB Policy, Procedure and Customer Guide reviewed with tenants	Completed. In addition, investment and implementation of the new NEC ASB module in budget year 2024/5 will improve case management, monitoring, and communication with residents.	Work to commence on ASB module April 2025
Customer Service	Level of tenants stating in TSS that they have had to make a complaint is much higher than the formal complaints which are registered. The functionality currently used in the NEC system does not adequately capture service failure or customer dissatisfaction in a reportable way.	Implement a system that ensures all contacts are recorded, categorised, and are only closed when the appropriate action is completed,. This will enable detailed, granular performance management of all aspects of our service. This will provide a much higher level of accountability.	To improve Customer Satisfaction
	Housing Online (HoL) portal	Tenants can now communicate with the Council through Housing online. Further enhancements planned and an increased roll out of functionality and targets to be set for channel shift	By April 2025 40% of tenants to have digital transactions as their preferred contact method.
	Newsletters	Newsletters sent biannually to all tenants each February and June by post. Plus more regular updates on the web.	By April 2025 75% of Newsletters and Annual Report to be sent digitally
	Automated text alerts and reminders for tenants	Update mobile phone numbers for all residents (if texting out need to confirm all numbers held are current correct (ensuring no GDPR issues)	
	NEC Customer Services Module	Implement Customer Services for recording, allocating and processing all contacts with the Housing Department, reducing the use of general and personal emails.	First Transactions live by end August 2024
	Customer Relationship Management (CRM) to be implemented	CRM system to be in place with scripts and processes to ensure a consistent quality of service, all contacts captured and timescales for a response provided to customer dependent on type of request. Ability to update contact and other details on the call.	First Transactions live by end August 2024

	Implement Task Manager (NEC)	Routine transactions to be allocated automatically to the appropriate person with management visibility of electronic in-trays, status of tasks and ability to reroute if needed.	Roll out of Tasks throughout 2024/5
	Repairs handbook	Tenants involved in new Repairs Guide.	Task Completed new Repairs Handbook on website and hard copies for distribution as appropriate.
	Tenants' handbook	To be produced in 2024, following consultation on a new Tenancy Agreement	Tenancy Agreement due to be effective from 1 August 2024, Handbook to be issued by 31st December 2024
	Customer Service Guides	Customer service guides available on intranet to ensure a consistent response and manage expectations.	Completed as an interim improvement prior to new modules.
Communal Areas	Estate Improvement Policy	To January 2024 Housing Committee for approval	Completed
	SLA for Grounds Maintenance	New inhouse provision	In progress, specification being agreed and schedule of meetings and onsite inspections agreed for contract
	Use "Go Mobile" capability for estate inspections	Use of mobile phones which can upload inspections to NEC from site	In progress, technical element to be completed.
	Estate Action Days (seasonal)	Successful Action Days at Heathervale Way, Garfield Road and School Lane in 2023. More planned for 2024	Schedule to be in place by 31 March 2024 for the year, minimum of four to take place.
	Internal Cleaning of Communal Areas	Contract to be outsourced for all communal areas to be cleaned. Specification to be drawn up	Specification completed and tender documentation by March 31 2024
	Contract Management of Estate Cleaning and Grounds maintenance - resident satisfaction measures	Opportunity for joint inspections with residents / contractors/ RBC contract management	To be included in contract specification
	Reduce Fly tipping	Introduce Incentive scheme for residents to report fly tipping and educate residents on costs and borough facilities.	Tenant Incentive Scheme is due for completion by September 2024, roll out with publicity campaign.
Complaints Handling	Complaints training	Staff training completed Autumn 2023	ISO 9001 Corrective Action Log implemented to ensure learning from complaints

	Clarify service standards, through use of technology monitor responses to all service requests and aim for high level of first contact resolution. Improve the level of "first contact resolution"	Implementation of CRM and Customer Services	All contacts captured in NEC and performance monitored on officer responses by November 2024
	Review of policy and procedure	Policy and procedure reviewed in 2023. Tenants to be involved in our self-assessment against the Housing Ombudsman's requirements in 2024	Project to be managed by Engagement & Inclusion Officer by November 2024
Listening to tenants' views	Tenant Engagement Strategy Action Plan	Updates to be reported to Housing Committee in March 2024	Mar-24
	Training for all Housing staff on Customer Service	To be rolled out with Customer Service Section with implementation of new CRM system	By end of October 2024
	Roll out transactional surveys (primarily digital) across the business areas.	NEC Housing System to be used to automate satisfaction surveys for routine services	Each Service Area to have a minimum of 2 surveys in place by November 2024
	Consult tenants on new estates cleaning contract	Residents will be provided with a specification for their own communal areas and a means of registering comments on this from the start of the contract. Once the contract is in place for 6 months there will be a consultation with residents receiving the service prior to introducing service charges	6 months after the start of the contract
Repairs and Maintenance	Low satisfaction level with the repairs service	Initial issues with the IT link between MCP and NEC resulted in limited data being available. Resolved in November 2023 enabling RBC to start analysing the data.	Performance Notice served on MCP October 2023 and 3 month action plan required to resolve issues. End of February 2024 RBC to review improvement
	New repairs contact centre	Tenants can now report repairs online through the portal, or over the phone, and speak directly with the contractor	In place, April 2024 RBC Engagement & Inclusion Officer to capture resident feedback on each of these methods
	First Time Fix repairs	Monitor Contract and ensure Contractor has information to stock common components and parts	RBC survey in place by June 2024
	Post inspections of works	Increase the level of post inspections through the use of digital images uploaded by residents.	From January 2024
	Recharge Policy implementation	Enable residents to access repairs which are their responsibility to ensure the upkeep of properties	Policy approved, system enhancements being carried out and policy to be launched to residents in June newsletter.

	Improve Decent Homes levels	We are continuing to fit homes with new kitchens, bathrooms, rewiring and boilers	Ensure all programmes are on target and works to satisfactory standard. All residents to be able to access the 10 year plan for their property.
	Communicate FRA process and actions (Building Safety Act)	In line with the Building Safety Act, where high-rise properties are safeguarded in the event of a fire	Quarterly resident meeting at Surrey Towers where Building safety on the agenda. Personalised Emergency Evacuation Plan to be in place for all vulnerable residents.

Report title	Housing Revenue Account Estimates For 2024/25
Report author	Emma Lyons – Senior Accountant
Department	Finance
Exempt?	No

Purpose of report:

- **To recommend to full Council**

Synopsis of report:

Members are asked to consider the draft HRA revenue estimates for 2024/25.

Recommendation(s):

- i) the draft revenue estimates for 2024/25, as set out in Appendix A be approved as submitted, and the Full Council be requested to make provision accordingly; and**
- ii) the proposed changes in rents and charges (including those for Housing General Fund services) for 2024/25, as set out in pages 47 – 49 of the Estimates, be approved to be effective either from the first rent week of April 2024, or 1 April 2024 as appropriate.**

1. Context and background of report

1.1 A budget is the expression in financial terms of the Councils policies over the next year and is a statement of intention against which achievement can be compared. The main objectives of budgeting are:

- Satisfaction of Statutory requirements
- Determining the amount which needs to be raised from Council Tax or rents
- Assisting in the planning and policy making process
- Policy implementation and control
- A means of measurement, and
- Strategic planning.

1.2 Members are asked to consider the draft HRA revenue estimates and fees and charges for 2024/25 as detailed in the attached Appendix A.

2. Report and, where applicable, options considered and recommended

2.1 The report of the budget is contained within Appendix A.

3. Policy framework implications

- 3.1 The 2024/25 budget is based on the Corporate Plan approved by Council.
- 3.2 There will be a number of instances of specific policies within specific services which require fees and charges to be levied in respect of various activities. Some of these will be discretionary and some statutory. In considering this report and reviewing its individual fees and charges, the Council is complying with the requirements of these policies.

4 Resource implications

- 4.1 The Resource implications are fully detailed within Appendix A. Once approved these will form the Housing Committees budget for 2024/25.

5. Legal implications

- 5.1 S.151 Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs. This report fulfils this requirement.

6. Equality implications

- 6.1 Where any major changes to the structure of any charging regimes are proposed, an Equality Impact Assessment will have been completed by the relevant Budget Manager.

7. Environmental/Sustainability/Biodiversity implications

- 7.1 The budget is the expression in financial terms of the Council's agreed policies and as such there are no specific Environmental, Sustainability, or Biodiversity implications arising from this report. Any implications arising from new initiatives or those marked as being subject to a further report, will be fully explored within those future reports.

8. Risk Implications

- 8.1 The Council's updated Risk Management framework was approved by Full Council in October 2023 and sets out the processes and procedures for the identification and evaluation of risks and opportunities and the cost-effective control of risks to ensure that they are reduced to an acceptable level and any impact on delivery of objectives is minimised.
- 8.2 Risks are assessed continually from both an operational and financial perspective. Under the Risk Management Framework for 2024/25, the Council has adopted a "Cautious" approach for financial risks, which means "Seeking safe delivery options with little residual financial loss only if it could yield upside opportunities".

9. Timetable for Implementation

- 9.1 The proposed 2024/25 estimates will become effective from 1st April 2024, with the exception of the proposed changes in rents for 2024/25, to be effective either from the first rent week of April 2024, or 1 April 2024 as appropriate.

10. Conclusions

10.1 Members are asked to consider the draft HRA revenue estimates for 2024/25.

11. Background papers

- None

12. Appendices

- Appendix A.1 “Housing HRA Budget 2024/25” (p.24)
- Appendix A.2 BB – “Housing HRA” (p.33)
- Appendix A.3 BB – “Housing Fees and Charges 24-25” (p.46)

HOUSING REVENUE ACCOUNT

ANNUAL ESTIMATES 2024/25

1. Introduction

- 1.1 The report sets out the estimates and fees and charges for the Housing Revenue Account and the fees and charges for the Housing General Fund.
- 1.2 Once approved, the estimates will be incorporated into the 30-year HRA financial Business Plan which will be presented to the March meeting of this committee.
- 1.3 Equality impact assessments have been prepared for the services delivered by this Committee. An equality impact assessment is required for new policies included in the draft estimates. These will be prepared by the Budget Manager for the service at the appropriate time.

2. Revised estimates 2023/24

- 2.1 The revised estimates have been prepared on a similar basis to the original estimates. The major income and expenditure variations to the original budget are listed below:

Table 1 – Major Variations to the original HRA budget in 2023/24	
	£000
<u>Supplementary Estimates approved during 2023</u>	
• Increased insurance costs following tendering exercise	15
• Replacement Defibrillators for HRA estate	5
<u>General Management</u>	
• Pre-development work behind original estimate (Parkside)	(495)
• Pre-development work on new sites approved 2023	238
<u>Special Services</u>	
• Parks management charge ceased	(11)
<u>Housing repairs</u>	
▪ Variations in Decent Homes works between financial years	(345)
▪ Major works budget vired for additional void repairs which are unable to be charged to the MRR	200
<u>Other HRA Expenditure</u>	
▪ Increase in depreciation transferred to Major Repairs Reserve (MRR)	570
▪ Increased contribution to MRR	431
<u>HRA income</u>	

• Increase in Interest received due to increased balances and higher interest rates	(495)
Other net changes	(5)
Variation from original to revised budget	112

- 2.2 Initial feasibility and pre-development work on the Parkside regeneration project is ongoing, £0.530m will be spent in the current year (versus £1.025m originally budgeted) funded (initially) from HRA balances. Supplementary Revenue budgets were approved for pre-development work on new sites including Dunkirk and Holly Close.
- 2.3 In major works the Central Heating Programme is progressing faster than anticipated with £0.840m expenditure brought forward from future years budgets. However, £4m of other major works is now expected to take place in future years – the majority of this is roof replacement and associated works. This will be largely offset by adjustment to the transfer from the Major Repairs Reserve (MRR).
- 2.4 Our Lettable Standard (the work we do to a property while empty) has been enhanced as part of our new repairs and maintenance contract. This has cost implications for the Housing Revenue Account and therefore a budget of £0.200m has been moved from major works to cover increases to void repairs expenditure. This is a strategic decision and will include some decoration as part of the works package.
- 2.5 After taking account of changes in 2023/24, including the budget variations detailed in Table 1 the revised estimated balance in the Housing Revenue Account at 31 March 2024 is estimated to be £35.6m.

3. **H.R.A. ESTIMATES FOR 2024/25**

Basis of Estimates

- 3.1 The attached estimates take account of the proposed changes in housing rent levels and other charges, details of which are set out in this report.

Housing repairs - Major works programme

- 3.2 In previous years the Committee has requested details of what is included in the Major Repairs budget under the major special works and major improvement scheme headings and therefore set out below is the composition of these Major Works for 2024/25.

	£000
Internal Works Programme	
Kitchens & Bathrooms	2,000
Boiler replacement	1,695
Electrical Rewires	240
Fire Door replacement (including Surrey Towers)	450

External Works Programme	
Replacement windows and doors	850
Roofing, Chimneys & rainwater goods (Gutters, downpipes etc)	3,015
External Wall finishes	1,083
Total Major Works budget in 2024/25	9,333

3.3 As a consequence of the large increase in the level of major works and improvements to our Housing stock there will be insufficient funds in the Major Repairs Reserve during the coming year (2024/25) and therefore the HRA will need to make a further transfer from the HRA balances as set out in the estimates. This was always planned, but the timing of works has meant that the budgets year on year keep changing to reflect movements in the programme.

3.4 A report from a specialist consultancy is due in mid-January 2024 with proposals for the upgrade of 3 Independent Retirement Schemes. In September 2021 £1.7m was identified within the Housing Revenue Account Business Plan over the next 5 years to support the enhancement of facilities within Independent Retirement Living and the upgrading of alarm call systems (including enabling a switchover to digital calling which will be required by 2025). Indications are that the consultant report is much higher than the initial figure and a report will be submitted to this Committee with costed options as the HRA reserves are currently committed to capital schemes, debt repayment and Decent Homes work.

Debt Charges and Depreciation

3.5 In late March 2022 the Council was required to make its first repayment of the sums borrowed from the Public Works Loan Board (PWLB) in March 2012. This initial payment was fully covered by retained sums arising from Right to Buy sales since 2012. The next repayment of £10m is not due until March 2027, followed by further repayments of £90m that is due to be repaid between March 2032 and March 2042.

3.6 When we sell properties under the Right to Buy, as well as receiving a set aside sum that needs to be used to re-provide new housing the Council also receives an element to cover the assumed debt on the property. As at April 2023 these receipts stood at just over £1,866,000 and these funds have been set aside in the accounts to cover the PWLB loan repayments as they fall due. It is therefore unlikely that the Council will be able to make future repayments in full on the due dates unless it starts setting additional money aside for the purpose.

3.7 Based on current assumptions, the HRA is likely to be able to make the 2027 repayment of £10m in full, using both money set aside for this purpose and using HRA Balances, however it is highly likely that the HRA will have to take out replacement loans in order to service the large repayments between 2032 & 2042 (totalling £90m). The refinancing of these loans may leave the HRA open to increased financing costs.

3.8 In December 2023 the Council received a Non-Statutory Best Value Notice from DLUHC. Part of this notice was a recommendation that the Council "*Outline what steps they plan to take to reduce and manage the overall debt of the Council*". Whilst the Council's borrowing is predominantly related to the General Fund, the need to reduce and manage the overall debt of the Council equally applies to the HRA. Opportunities for future borrowing and/or refinancing of existing borrowing

would therefore appear to be limited making the setting aside of additional money for future loan repayments in the HRA Business Plan paramount.

- 3.9 As part of the Self-Financing settlement we are expected to set aside an annual sum in respect of the depreciation of our stock. This is based upon prevailing property valuations, which are revalued at the 31 March each year. A new revaluation of our stock based on the “Beacon” principle is currently being carried out by a firm of external valuers in early 2024 and subsequently will be updated annually for movements in the local property market.
- 3.10 The sums calculated for depreciation are transferred to the Major Repairs Reserve (MRR) where they can be used to fund any major works carried out to maintain our stock, or to pay off HRA debt as required. However, if there is any balance in the reserve at the end of one year this will automatically be carried forward for use in the next financial year. (A summary of movements in the Major Repairs Reserve can found in the detailed estimates)

Other Budgetary changes

- 3.11 In the current year’s budget a provision is included to enable the transfer of up to £30,000 of HRA funds to help top up the DHP contribution received from the DWP. The attached estimates also propose that the Council continues to increase the DHP contribution by a sum of £30,000. Under current rules the Council is obliged to seek permission from the Secretary of State to agree to the proposed transfer to the DHP fund on an annual basis, and therefore officers will contact the Secretary of State at the appropriate time to obtain permission to transfer the proposed £30,000. Members should note that any contribution from the HRA can only be used to help HRA tenants who require assistance, and this assistance is granted using the same criteria as set out in the Councils DHP policy.
- 3.12 In recent years we have also included a provision of £20,000 to help those households in financial difficulties who do not meet the criteria of the DHP policy, for example those not on Housing Benefit, and it is proposed to continue making this provision in 2024/25. This pot will be administered by the Housing Services Manager and Head of Housing & Business Planning to allocate on a case by case basis, using similar guidelines as contained in the Council’s DHP policy.

HRA Capital Expenditure

- 3.13 The attached estimates also make provision for the impact of Capital Expenditure on the Housing Revenue Account.
- 3.14 In March 2021 this committee agreed to set up a development fund of £25m (net) over the next five years. This has now been allocated into several schemes which have all been included in the Capital Programme based on the indicative costs for the developments as at the end of November 2023. The sums associated with each scheme will only be released following approval of each scheme by this Committee and, due to the sums involved, the approval of both the Corporate Management Committee & Full Council. For estimation purposes, assumptions have been made about each schemes financing and draft figures for the use of HRA working balances has been included in the estimates.
- 3.15 On 18 October 2022 this committee, and latterly Full Council, approved a budget of £5m to appoint consultants to progress the Parkside Regeneration project. Due to the very nature of such development proposals, in line with local government accounting requirements, these costs will fall on the HRA Revenue budget until such time as the scheme progresses to full construction. When full construction begins

most of these costs will be recharged to the new capital construction budget and the HRA revenue budget will be recredited with the costs transferred. Should it not be possible for the scheme to progress for any reason any expenditure incurred to that point will remain a cost to the revenue account. The revised budget for 2023/24 assumes a cost of £767,500 for these works with a further £1,272,500 for 2024/25 being financed from HRA Reserves.

- 3.16 For several years the Council has been acquiring properties in order to help replace those properties sold under the Right to Buy, and to extinguish 1-4-1 receipts. An annual budget of £1.3m for these purchases remains in the Capital Programme for 2024/25 in case of delays to the development schemes. 40% of these costs is met from set aside Capital Receipts, the residual costs of around £780,000 are funded from HRA balances, as detailed in the HRA Estimates summary.

4 **RENT REVIEWS**

- 4.1 Current guidance from the government allows providers of Social Housing to increase rents by a maximum of CPI + 1%. The September 2023 CPI figure was 6.7% which means the Council can increase rents by a maximum of 7.7% however in 2023 the Government capped the increase due to higher than expected inflation. DLUHC confirmed on 4th January 2024 that providers can implement the full 7.7% increase and officers are recommending this with effect from April 2024.
- 4.2 An increase at this level within the Government’s rent settlement means that any tenant who receives assistance through Housing Benefits and or Universal Credits will be entitled to the full increase. Although social rents are significantly below the Local Housing Allowance, regulations mean that an increase over the proposed maximum would result in the Council being penalised through the DWP Housing Benefit subsidy mechanism, thereby potentially cancelling out a significant proportion of any betterment achieved.
- 4.3 Table 3 shows the predicted average rent levels by property bedroom size, based upon an across the board rent increase of 7.7% for 2024/25:

Table 3 - Housing Weekly “Social” Rent Levels			
No. of Beds	Average weekly rent 2023/24	April 2024 increase (7.7%)	Average weekly rent 2024/25
	£	£	£
Bedsit	76.31	5.88	82.19
1 Bed	104.92	8.08	113.00
2 Bed	125.77	9.68	135.45
3 Bed	137.39	10.58	147.97
4 Bed	150.16	11.56	161.72
5+ Bed	169.57	13.06	182.63

- 4.4 The proposed increase in rents will result in an average rent in Runnymede of £133.68 in 2024/25, which is around £9.52 more than in the current year.
- 4.5 The above table does not include those properties let on Affordable rents which it is also proposed will increase in line with the guidance where this is possible, within

the current affordability limits. The average rents for the 38 units (at April 2023) let at Affordable rents was £205.34.

5 OTHER HRA RENTS AND CHARGES

- 5.1 Rents and charges are set out in the schedule that follows the estimates. The levels of income generated from the proposed charges are included in the estimates for 2024/25.

Tenant Service Charges

- 5.2 Government policy recommends that services that are over and above that required for general management and maintenance are separately identified and charged to tenants. Local authorities retain discretion to decide what services it is appropriate to charge for. The government expects authorities to increase service charges by no more than inflation (CPI + 1.0%) unless there are clearly identified reasons for a change (e.g. different level of service, energy price increases).
- 5.3 As in previous years the charges have been reviewed to reflect changes in the costs of services provided at each estate. Details of the new proposed charges are included in the attached fees & charges schedule.

Heating and Hot Water charges

- 5.4 Charges are made for heating and hot water at Independent Retirement Living (IRL) properties that do not have separate meters. The charges at Beomonds and Floral House cover heating and hot water. The charge at Heatherfields covers heating only as the hot water supplies are separately metered. All three schemes have communal gas boilers.
- 5.5 Members will be aware that energy prices have been highly volatile in the last 2 years, and it is difficult to predict future movements with any real certainty. Although the Council is able to buy energy supplies in bulk, we are not immune to these price changes.
- 5.6 This bulk buying meant that the Council was able to keep these charges low in comparison to most households but we do need to reflect inflationary increases experienced in the current year and expected in the next, therefore it is proposed that an increase of 7.7% is applied, in line with the rent increase of CPI+1%.

	Current charges		New Charges (£)	
	Weekly	Annual	Weekly	Annual
Beomonds	£9.00	£468.00	£9.70	£504.40
Floral House	£9.00	£468.00	£9.70	£504.40
Heatherfields	£4.90	£254.80	£5.28	£274.56

Use of Guest Bedrooms

- 5.7 A charge is made for the use of guest bedrooms in IRL accommodation. This charge was last increased in April 2019 resulting in a charge of £13.00 a night (including VAT). This charge normally generates around £500 pa, and no increase is proposed for the coming year.

Heathervale Way Mobile Home Site

- 5.8 An increase in line with those proposed for HRA dwellings of 7.7% is recommended for the caravan rents to be effective from the first rent week in April 2024. Table 5 sets out the revised weekly rents accordingly:

	No. of units	2023/24	2024/25
		£	£
Single room mobile homes	11	60.20	64.84
Double room mobile homes	6	90.40	97.36

- 5.9 As previously reported, in January 2015 the government introduced new regulations to limit the level of increase in Mobile Home pitch fees (site rents), and this generally limits any uplift to the level of increase in the Retail Price Index (RPI). A further complication is that any increase from April 2024 will need to be based upon the January inflation indices issued in February 2024, and so it is proposed that officers calculate the appropriate increase in late February so that we can advise the residents of the site accordingly.

Rents of Shared Ownership Properties

- 5.10 As set out in the terms of most lease agreements, rents are permitted to increase by a maximum of the Retail Prices Index (RPI) for a given month plus 0.5%. In November 2023, RPI was 5.3%, it is therefore proposed shared ownership rents should increase by 5.8%.

Shared Houses

- 5.11 The Council has adapted two properties into Shared houses, which each provide four separately rented rooms. The cost of these works was met from the repairs budget and the intention is that where possible we will use these properties as an alternative to Bed & Breakfast accommodation. Rents for these eight rooms average around £107.00pw plus service charges in 2023 and in order not to breach the affordable rents (80% of market rents) and bearing in mind cost of living pressures, it is proposed that these rents will not be increased in April 2024. It is necessary to limit these rents as otherwise the charges would not be eligible for 100% Housing Benefits assuming the tenant's personal circumstances met the necessary criteria, which could negate one of the main points of creating these facilities.

Other charges

- 5.12 In April 2018 the Council introduced a new Management charge of £17 for the tenants of the IRL schemes, which was created to replace the former Supporting People charge that was covered by a subsidy from Surrey CC. For those tenants in receipt of benefits the costs are picked up as a Service Charge for benefit purposes. In light of the current cost of living climate and the ongoing review of the working arrangements for the IRL managers no change to this charge is proposed for April 2024.

6 HRA RISKS

- 6.1 In setting the budgets for 2024/25 it is important to set out the risks that have been considered and factored into the HRA estimates.

Universal Credits – Approximately 1011 households are currently in receipt of Universal Credit. Wherever possible we encourage the rental element for these payments to be made directly to the Council. Officers use an analytic system through NEC to monitor and recover rent arrears.

Inflation – Traditionally in Housing, inflation was not regarded as a problem as rents tended to be linked to inflation, meaning that when costs increased so did the rents charged. Between April 2016 and March 2020 this was an issue as our rents were reduced annually by 1% while the Government’s favoured inflation indices (CPI) was increasing by 2-3% pa. Following the government’s decision to once more allow Councils to increase social rents for 5 years from April 2020, it was hoped that inflation would not create such issues in the near future, however rents were capped at 7% for 23/24 whilst inflation was running at 9.6% in October. With the return to CPI+1% from 2024/25 this reduces the risk in the near future, assuming inflation continues to decrease as forecast.

Debt Repayment – Due to the enforced reduction in rent levels between April 2016 and March 2020 and the need to build new affordable housing in order to utilise the retained “1-4-1 Right to Buy receipts”, there is some uncertainty if there will be sufficient funds between 2032 & 2042 with which to pay down the £90m of PWLB loans that fall due in that period. (See also Para 3.6 above). Although still an unknown quantity, the potential future refinancing of existing loans may also become an issue following the receipt of the Non-Statutory Best Value Notice from DLUHC.

Major Insurance incident – While any costs from a major claim will generally be met in the form of an insurance claim, the disruption caused to the Housing department and tenants within our already constrained stock, places a large imposition on the work force and inevitable disruption to households affected.

7 GENERAL FUND FEES AND CHARGES

Other Housing charges

- 7.1 An increase of 7.5% was proposed to the Bed & Breakfast charges from April 2024, being the first increase since April 2021. However, the Government has announced that from April 2024 the Local Housing Allowance (LHA) will be increased and therefore B&B charges will be increased in line with LHA which is expected to be a higher percentage than the increase to social rents. The Housing Benefit payable only covers a small proportion of the cost of providing B&B and it is important to maximise this income, officers will continue to monitor LHA rates and amend if necessary in subsequent years.
- 7.2 As our charges in respect of Houses in Multiple occupation licences (HMO fees) are already felt to be high, no increase has been proposed for next year.
- 7.3 Two new charges have been proposed relating to providing copies of the HMO register – one of £50 for a copy of the register as a whole and one of £6 for an individual entry. This is intended to reflect the officer time and resources required to meet these requests. See attached Equality Impact Assessment form.

8. **H.R.A. - CONCLUSION**

- 8.1 The setting of the estimates for 2024/25 is based upon the assumptions included within the HRA Business Plan (unless specified above), having been updated for developments that have occurred over the last year.
- 8.2 The proposed rent increase of 7.7% from April 2024 is consistent with government guidance, which will also ensure that the authority will not be penalised through the loss of Rent Rebates subsidy entitlement.
- 8.3 The increase in the Housing Repairs budget for 2024/25 represents the continuation of a multiyear programme of reversing the low level of expenditure for several years and will help the authority meet its Decent Homes obligations and includes deferred expenditure from the current year.
- 8.4 The table below shows the HRA estimated balances and reserves at the 31 March each year.

<u>Description</u>	<u>March 2024</u>	<u>March 2025</u>
HRA working Balances	£35.6m	£23.6m
Major Repairs Reserve	£nil	£nil
Proceeds from Right to Buy Sales		
- Sums set aside for debt repayment	£2.0m	£2.3m
- Retained 1-4-1 receipts	£2.9m	£2.9m
HRA PWLB loan borrowings	£100.0m	£100.0m

- 8.5 The above table illustrates that while there are considerable balances in the Housing Revenue Account, it should be noted that this needs to cover both current and future spending plans, new developments that may be agreed by this Committee, and also the future need to service the £100m of borrowings between April 2024 and March 2042.
- 8.6 The attached estimates only cover the financial period to March 2025, though it is planned to bring an updated copy of the 30 year HRA Business Plan financial model to the March 2024 meeting of this Committee in which members will be able to consider the longer term financial priorities of the Housing Revenue Account.

Housing Revenue Account

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
General management	2,259,127	3,396,179	3,336,330	3,894,168
Special services management	747,099	984,318	975,017	1,155,890
Supporting people for Council tenants	130,102	177,700	177,700	191,800
Mobile home site (Net)	(142,726)	(186,100)	(186,101)	(175,001)
Housing repairs	9,688,510	15,193,780	12,287,780	16,555,821
Less funded from major repairs reserve	(5,329,913)	(10,565,000)	(7,784,000)	(10,956,000)
Sale of Council houses administration	100	0	0	0
Other HRA Expenditure	551,260	555,600	555,600	594,400
Debt charges	3,379,000	3,379,000	3,379,000	3,379,000
Depreciation charges	2,228,015	1,963,241	2,533,635	2,773,309
Additional Revenue contribution to Major Repairs reserve	0	3,918,040	4,348,839	8,182,691
Additional Growth requests to be agreed	0	250,000	45,000	0
Total expenditure	13,510,573	19,066,758	19,668,800	25,596,078
<u>Income</u>				
Rent from dwellings	17,357,839	18,616,948	18,616,948	20,050,453
Non-dwelling rents and income	219,079	216,300	216,300	232,955
Interest on balances	661,221	1,239,000	1,734,000	1,220,000
Total income	18,238,139	20,072,248	20,567,248	21,503,408
Surplus (deficit) in the year	4,727,566	1,005,491	898,448	(4,092,670)
			(5,247,287)	(4,090,021)

HRA Reserves

Housing revenue account working balance

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
Balance brought forward	32,632,179	29,432,133	36,763,920	35,651,858
Add surplus (less deficit) in the year	4,727,566	1,005,491	898,448	(4,092,670)
Transfer (to)/from Planned Underspends reserve	(19,200)	0	19,200	0
Capital expenditure				
- new purchases	0	(780,000)	(1,751,374)	(780,000)
- new build programme	(45,315)	(5,294,202)	0	(7,110,000)
- further potential schemes	0	(750,000)	0	0
- IT Schemes	(160,461)	0	(78,336)	(50,000)
- Green Homes	(370,849)	0	0	0
- Estate Paths Improvements	0	0	(200,000)	0
Balance carried forward	36,763,920	23,613,422	35,651,858	23,619,188

Major Repairs Reserve (MRR)

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
Balance brought forward	4,003,424	4,683,719	901,526	(0)
Contributions to reserve:				
Depreciation	2,228,015	1,963,241	2,533,635	2,773,309
HRA working balance	0	3,918,040	4,348,839	8,182,691
Capital expenditure funded from reserve	(5,329,913)	(10,565,000)	(7,784,000)	(10,956,000)
Balance at year end	901,526	0	(0)	(0)

Total HRA Reserves

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
Housing revenue account working balance	36,763,920	23,613,422	35,651,858	23,619,188
Major Repairs Reserve balance	901,526	0	(0)	(0)
Planned Underspend earmarked reserve	19,200	0	(19,200)	0
Total balances	37,684,645	23,613,422	35,632,657	23,619,187

General management

Service description

Budget manager:	Interim Corporate Head of Housing - Ms M Ward
Service function:	General management of the Council's housing stock including <ul style="list-style-type: none"> - Policy and management - Tenancy applications and selection of tenants - Rent collection and accounting
Legal status:	Sections 20 - 27 of the Housing Act 1985.
Policy objectives:	Set out in the HRA business plan and the strategic plan.

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
<u>Employees</u>				
Salaries	941,408	975,900	1,110,900	1,180,700
Training and recruitment	36,291	47,300	47,300	40,000
<u>Premises related expenses</u>				
Council tax - empty dwellings	79,792	18,040	18,540	19,040
<u>Transport related expenditure</u>				
Travelling and subsistence	11,300	14,800	14,800	12,500
<u>Supplies and services</u>				
General office expenses	56,037	49,347	49,347	57,697
Communications and computing	155,320	101,416	101,416	101,416
Payment of rent - collection fees	3,800	4,400	4,400	4,400
Legal and other expenses	14,775	71,639	121,639	76,139
Insurance	286,870	317,767	317,767	317,767
Removal and disturbance expenses	40,483	75,000	75,000	75,000
DHP top-up	69,315	50,000	50,000	50,000
<u>New Housing project</u>				
Pre-development expenditure	8,843	1,025,000	767,500	1,272,500
<u>Support services</u>				
	671,900	665,080	665,580	692,019
<u>Capital Charges</u>				
	33,897	39,915	51,566	54,415
Gross expenditure	2,410,032	3,455,604	3,395,755	3,953,593
<u>Income</u>				
Grants & contributions	86,687	3,800	3,800	3,800
Legal expenses recovered	945	2,000	2,000	2,000
Other Costs Recovered	11,377	1,000	1,000	1,000
Insurance premiums recharged	14,495	15,225	15,225	15,225
Recharge to General Fund	37,400	37,400	37,400	37,400
Gross income	150,904	59,425	59,425	59,425
Net expenditure	2,259,127	3,396,179	3,336,330	3,894,168

Special services management

Service description

Budget managers:	Head of Housing Technical Services - Mr S. Allen Housing Services Manager - Mrs A Travers
Service function	Services to HRA tenants including the running costs and management of, plant (e.g. lifts) lighting of staircases and courtyards; caretaking; cleaning and ground maintenance; sheltered accommodation managers; and other services (mainly shared) to HRA tenants.
Legal status:	Sections 20 - 27 of the Housing Act 1985. Housing Act 1985 s27BA (consultation with tenants with respect to management)

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
<u>Employees</u>				
Managerial and administrative staff	94,800	101,700	102,900	155,100
Scheme managers	33,800	40,600	39,400	41,500
Caretaking and cleaning	129,762	146,750	151,850	146,750
<u>Premises related expenses</u>				
Building maintenance (tenants initiatives)	46,474	200,700	200,700	200,700
Energy and utility costs	222,265	199,085	199,085	199,085
Rent, rates and insurance	5,359	10,080	11,016	11,016
Cleaning and domestic supplies	14,110	17,435	17,750	17,998
Grounds maintenance	108,357	100,890	100,800	165,100
Furniture & Equipment	4,555	3,200	2,805	7,805
<u>Transport related expenditure</u>				
Use of vehicles	(848)	7,900	2,890	2,920
Car allowances	2,000	2,500	2,500	2,000
<u>Supplies and services</u>				
General expenses - TV Licences	3,002	1,720	1,720	1,720
General expenses (tenants participation)	14,812	33,890	32,250	32,250
Communications and computing	8,996	12,050	13,795	13,795
Community First Initiative	19,800	25,000	25,000	25,000
<u>Support services</u>	80,880	100,370	88,700	168,703
<u>Capital Charges</u>	1,408	1,408	2,816	1,408
Gross expenditure	789,530	1,005,278	995,977	1,192,850
<u>Income</u>				
Grants & Contributions	25,251	1,800	1,800	17,800
Sales, fees and charges	16,408	18,660	18,660	18,660
Rents and leases	772	500	500	500
Gross income	42,431	20,960	20,960	36,960
Net expenditure	747,099	984,318	975,017	1,155,890

Supporting people (for Council tenants)

Service description

Budget manager:	Housing Services Manager - Mrs A Travers
Service function:	To provide support for housing tenants, primarily in our sheltered stock and those using the community alarm scheme.
Legal status:	Housing Act 1985 s11A (provision of welfare services) Section 128 of the Leasehold Reform, Housing and Urban Development Act 1993. Section 2 of the Local Government Act 2000.
Policy objective:	To provide support for vulnerable clients and collect appropriate Support charges.

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
<u>Employees</u>				
Salaries	167,300	188,700	188,700	197,800
<u>Transport related expenditure</u>				
Staff travelling and subsistence	2,200	2,700	2,700	1,200
<u>Supplies and services</u>				
Furnishing - renewals	10,978	16,500	16,500	16,500
Community alarm system recharge	121,359	120,500	120,500	120,500
<u>Support services</u>	23,700	19,800	19,800	26,300
Gross expenditure	325,537	348,200	348,200	362,300
<u>Income</u>				
Sheltered dwellings tenants charges	195,435	170,500	170,500	170,500
Gross income	195,435	170,500	170,500	170,500
Net expenditure	130,102	177,700	177,700	191,800

Mobile home site

Service description

Budget manager: Housing Services Manager - Mrs A Travers

Service function Supervision, management and maintenance of the Councils mobile home site at Heathervale, providing both private pitches and accommodation for homeless families.

Legal status Section 24 of the Caravan Sites and Control of Development Act 1960

Note: The budget for this service does not include the capital charge for the Heathervale Site.

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
<u>Employees</u>				
Salaries	11,200	12,900	12,900	16,300
Wages	0	700	700	700
<u>Premises related expenses</u>				
Maintenance of vans and site	2,631	3,100	3,100	3,100
Fuel, light, cleaning and water	24,605	33,850	31,050	31,050
Rates, insurance and telephone	12,075	1,500	1,500	1,500
Ground maintenance	0	0	2,800	2,900
<u>Transport related expenditure</u>				
Car Allowances	100	100	100	100
<u>Support services</u>				
	8,100	8,100	8,100	15,700
Gross expenditure	58,711	60,250	60,250	71,350
<u>Income</u>				
<u>Fees and charges</u>				
Sale of mobile homes - commission	30,500	30,000	30,000	30,000
Site rents (net of voids)	120,798	138,030	138,030	138,030
Rent of mobile homes (net)	27,965	51,681	51,681	51,681
Water charges	21,724	26,190	26,190	26,190
Miscellaneous	450	450	450	450
Gross income	201,437	246,351	246,351	246,351
Net expenditure	(142,726)	(186,101)	(186,101)	(175,001)

Housing repairs - maintenance

Service description

Budget manager:	Head of Housing Technical Services - Mr S. Allen
Service function:	To maintain and enhance the condition of the Council's Housing stock.
Legal status:	Section 11 of the Landlord and Tenants Act 1985
Policy objectives:	To provide a customer focussed repairs service which maintains and improves the condition of our stock.

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Planned maintenance</u>				
Cyclic works - external decorations	9,668	0	0	0
Cyclic works - communal decorations	0	27,000	27,000	27,000
Annual maintenance and inspection (net)	601,918	616,500	616,500	617,900
Rolling repairs programme	0	8,000	8,000	8,000
Total planned maintenance	611,586	651,500	651,500	652,900
<u>Special works</u>				
Major works - Revenue	39,661	1,115,000	770,000	1,773,000
Major works - Capital	1,825,845	3,605,000	3,339,000	3,396,000
Sheltered scheme works	17,230	0	0	0
Total special works	1,882,736	4,720,000	4,109,000	5,169,000
<u>Demand maintenance</u>				
Houses, flats and communal areas	906,797	708,900	708,900	723,200
Temporary Accomodation units	18,256	26,000	26,000	27,000
Sheltered housing	112,336	62,000	62,000	62,000
Total demand maintenance	1,037,389	796,900	796,900	812,200
<u>Major improvement schemes</u>				
Central heating	1,337,993	1,160,000	1,695,000	1,695,000
Kitchen and bathroom upgrades	2,146,845	1,700,000	2,000,000	2,000,000
Roof replacement works	0	3,350,000	0	3,015,000
Window & Door replacements	0	750,000	750,000	850,000
Total major improvement schemes	3,484,838	6,960,000	4,445,000	7,560,000
<u>Other maintenance</u>				
Void repairs and decoration allowances	1,156,281	551,500	751,500	751,500
Disabled conversions (net)	212,330	200,000	200,000	200,000
Total other maintenance	1,368,611	751,500	951,500	951,500
Gross Expenditure	8,385,160	13,879,900	10,953,900	15,145,600
Total maintenance budget	8,385,160	13,879,900	10,953,900	15,145,600

See next page for supervision costs

Housing repairs - supervision

Service description

Budget manager:	Head of Housing Technical Services - Mr S. Allen
Service function:	The cost of supervising the maintenance of the Council's Housing Stock
Legal status:	Section 11 of the Landlord and Tenants Act 1985
Policy objectives:	To improve maintenance of the housing stock. To maintain high levels of tenant satisfaction. To achieve and maintain the decent homes standard.

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
Salaries	791,322	823,700	843,700	928,400
Training costs	6,959	2,000	2,000	2,000
Car allowances	10,300	15,000	15,000	11,500
Supplies and services	89,689	64,200	58,250	58,250
Rent, Rates & Insurance	0	0	5,950	5,950
Support services	408,700	412,880	412,880	408,021
<u>Income</u>				
Recharges	(3,900)	(3,900)	(3,900)	(3,900)
Total net supervision costs	1,303,070	1,313,880	1,333,880	1,410,221
Total maintenance costs (previous page)	8,385,160	13,879,900	10,953,900	15,145,600
Gross housing repairs expenditure	9,688,230	15,193,780	12,287,780	16,555,821

Improvement works counting as capital expenditure

(For information only)

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
Special major works	1,825,845	3,605,000	3,339,000	3,396,000
Central heating programme	1,337,993	1,160,000	1,695,000	1,695,000
Kitchen and bathroom upgrade works	2,146,845	1,700,000	2,000,000	2,000,000
Roof replacement works	0	3,350,000	0	3,015,000
Window & Door replacements	0	750,000	750,000	850,000
Total capital repairs to be met from Major Repairs Reserve	5,327,913	10,565,000	7,784,000	10,956,000

Sale of Council houses

Service description

Budget managers:	Housing Services Manager - Mrs A Travers
Service function	To administer the Right to Buy scheme.
Legal status	Part V of the Housing Act 1985, as amended by Part II of the Leasehold Reform, Housing and Urban Development Act 1993.
Policy objectives:	Process Right To Buy applications quickly and efficiently.

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
<u>Employees</u>				
Salaries	10,300	11,100	11,100	13,000
<u>Transport related expenditure</u>				
Car allowances	200	200	200	100
<u>Supplies and services</u>				
Valuation and other fees	19,182	12,200	12,200	12,200
<u>Support services</u>	19,400	19,100	19,100	36,800
Gross expenditure	49,082	42,600	42,600	62,100
<u>Income</u>				
Charged to capital receipts	48,982	42,600	42,600	62,100
Gross income	48,982	42,600	42,600	62,100
Net expenditure	100	0	0	0

Other HRA expenditure

Service description

Budget managers: Interim Corporate Head of Housing - Ms M Ward
Senior Accountant (Technical & Commercial) - Ms E Lyons

Service function Miscellaneous accounting entries and corporate recharges

Budget for the year ending 31 March 2025

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
<u>Employees</u>				
HRA pension backfunding	103,000	103,000	103,000	103,000
<u>Central costs</u>				
Civic Centre Notional charge	43,000	43,000	43,000	43,000
Contribution to corporate expenses	296,300	319,600	319,600	358,400
<u>Financing charges</u>				
Provision for uncollectable rents	102,178	90,000	90,000	90,000
Gross expenditure	551,260	555,600	555,600	594,400
<u>Debt charges</u>				
Interest on borrowings	3,379,000	3,379,000	3,379,000	3,379,000
Gross expenditure	3,379,000	3,379,000	3,379,000	3,379,000
<u>Depreciation transferred to major repairs reserve</u>				
Depreciation	2,228,015	1,963,241	2,533,635	2,773,309
Gross expenditure	2,228,015	1,963,241	2,533,635	2,773,309

Dwelling rents and service charges income

Service description

Budget manager:	Interim Corporate Head of Housing - Ms M Ward
Service function	The collection of rent and heating charges on dwellings due on Council properties let to residents.
Legal status	The primary legislation relating to housing management and the collection of rents are included in sections 20 - 27 of the Housing Act 1985.
Policy objective:	To maximise rental collection thereby minimising the level of arrears. Implement rent increases in line with the DCLG's rent restructuring guidelines. Manage voids to minimise vacancies and loss of Income.

Budget for the year ending 31 March 2025

Rents from dwellings

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Income</u>				
<u>Rent debit</u>				
General stock dwellings	17,330,337	18,519,560	18,519,560	19,945,566
Tenants service charges	194,835	209,506	209,506	225,638
Rents of shared ownership properties	211,913	228,552	228,552	246,151
Heating charges	34,025	43,740	43,740	47,108
Gross rent for dwellings	17,771,110	19,001,358	19,001,358	20,464,463
<u>Less voids (rent loss on empty dwellings)</u>				
General stock dwellings	413,271	378,780	378,780	407,946
Tenant service charges	0	4,280	4,280	4,610
Heating charges	0	1,350	1,350	1,454
Total voids on dwellings	413,271	384,410	384,410	414,010
Net rent for dwellings	17,357,839	18,616,948	18,616,948	20,050,453

Non-dwelling rents and income

Service description

Budget managers:	Interim Corporate Head of Housing - Ms M Ward Senior Accountant (Technical & Commercial) - Ms E Lyons
Service function	The collection of other HRA. rents and income
Legal status	The primary legislation relating to the collection of HRA income are contained in The Housing Act 1985, and the Local Government and Housing Act 1989.

Budget for the year ending 31 March 2025

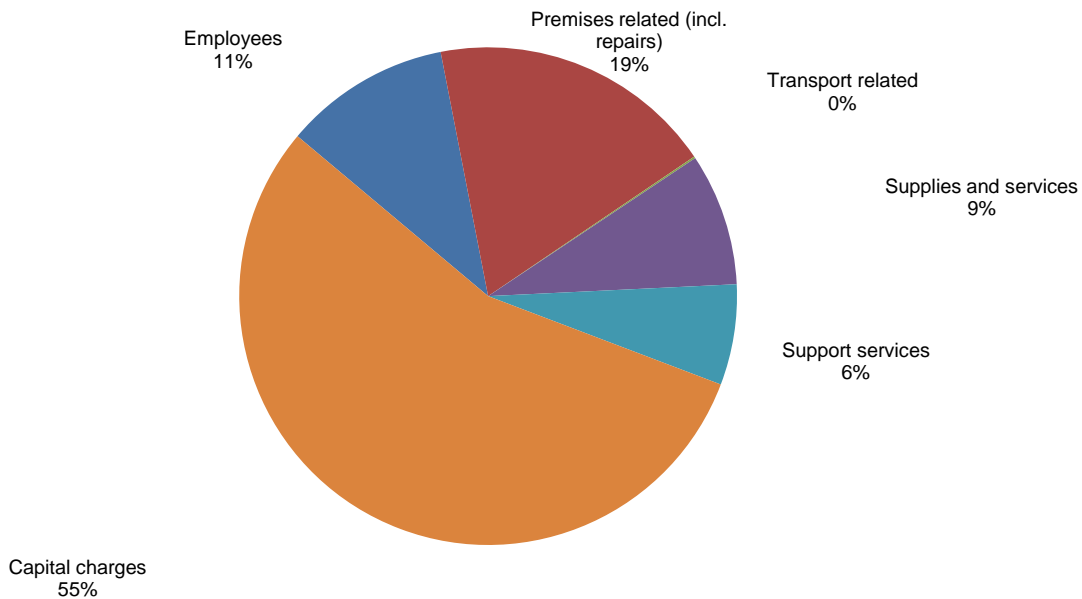
	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Non-dwelling rents and income</u>				
Rents of other properties	62,931	62,200	62,200	66,989
Leasehold service charges	110,975	121,000	121,000	130,317
Mead Court service charges	29,138	28,600	28,600	30,802
Miscellaneous receipts (e.g. small land sales)	16,036	4,500	4,500	4,847
Sub total - other rents and income	219,079	216,300	216,300	232,955
<u>Investment and mortgage income</u>				
Interest on balances	661,221	1,239,000	1,734,000	1,220,000
Sub total - interest	661,221	1,239,000	1,734,000	1,220,000
Total non-dwelling rents and income	880,300	1,455,300	1,950,300	1,452,955

Housing revenue account

Subjective analysis

	<u>2022/23</u> Actual £	<u>2023/24</u> Estimate £	<u>2023/24</u> Probable £	<u>2024/25</u> Estimate £
<u>Expenditure</u>				
Employees	2,332,042	2,454,350	2,614,450	2,825,250
Premises related (incl. repairs)	3,605,448	3,899,580	3,762,191	4,847,039
Transport related	25,252	43,200	38,190	30,320
Supplies and services	927,815	1,983,829	1,770,089	2,242,939
Support services	1,508,979	1,544,930	1,533,760	1,705,943
Capital charges	5,685,320	9,344,604	10,358,856	14,433,823
Planned Underspend reserve	0	250,000	45,000	0
Gross expenditure	14,084,857	19,520,493	20,122,536	26,085,314
<u>Income</u>				
Net rents	17,433,330	18,736,469	18,736,469	20,171,499
Grants and Contributions	159,805	20,825	20,825	36,825
Fees and charges	516,767	488,390	488,390	523,020
Interest	661,221	1,239,000	1,734,000	1,220,000
Recharges to General Fund	41,300	41,300	41,300	41,300
Gross income	18,812,423	20,525,984	21,020,984	21,992,644
Net expenditure	(4,727,566)	(1,005,492)	(898,448)	4,092,670

Expenditure Analysis 2024/25



Fees and charges

Housing Revenue Account

	Charge Status	From April 2023 £	From April 2024 £	% Increase	Yield £	VAT treatment
<u>Average council house rents (per week)</u>						
Bedsit	Discretionary	76.31	82.19	7.70%	} 19,945,566	Outside scope
1 bed dwelling	Discretionary	104.92	113.00	7.70%		Outside scope
2 bed dwelling	Discretionary	125.77	135.45	7.70%		Outside scope
3 bed dwelling	Discretionary	137.39	147.97	7.70%		Outside scope
4 bed dwelling	Discretionary	150.16	161.73	7.70%		Outside scope
5 or more bed dwelling	Discretionary	169.57	182.63	7.70%	Outside scope	
(Unless specifically reported elsewhere the rents for Corporate Properties and the Leisure Services properties, managed by Housing will be increased by an inflationary increase)						
<u>Tenants service charges (per week)</u>						
Torin Court	Discretionary	1.32	1.42	7.70%	} 225,638	Outside scope
Hampshire Court	Discretionary	6.83	7.35	7.70%		Outside scope
Middlesex Court	Discretionary	6.83	7.35	7.70%		Outside scope
Surrey Towers	Discretionary	6.83	7.35	7.70%		Outside scope
Sussex Court	Discretionary	6.62	7.13	7.70%		Outside scope
Audley & Southam House	Discretionary	1.57	1.69	7.70%		Outside scope
Fairoaks Court	Discretionary	1.20	1.29	7.70%		Outside scope
Oaklands Court	Discretionary	1.32	1.42	7.70%		Outside scope
Beomonds	Discretionary	19.81	21.33	7.70%		Outside scope
Darley Dene	Discretionary	14.18	15.27	7.70%		Outside scope
Floral House	Discretionary	12.31	13.25	7.70%		Outside scope
Grove Court	Discretionary	11.20	12.07	7.70%		Outside scope
Heatherfields	Discretionary	10.43	11.24	7.70%		Outside scope
Shared Houses	Discretionary	9.73	10.48	7.70%		Outside scope
<u>Independent Retirement Living (IRL)</u>						
Use of Guest Bedrooms by relatives and friends of tenants in sheltered housing - charge per night per person	(Incl VAT) Discretionary	13.00	13.00	0.00%	500	Standard
Disabled persons Buggy store - Battery Charging, per week	(Incl VAT) Discretionary	2.20	2.20	0.00%	} 0	Standard
Hairdresser per hour	(Incl VAT) Discretionary	6.10	6.10	0.00%		Standard
Chiroprapist per day	Discretionary	21.00	21.00	0.00%	Exempt	
<u>Heathervale Way mobile home site - New Haw</u>						
Net site rent per pitch per week	Discretionary	40.20	40.20	0.00%	138,030	Exempt
Rent of council mobile homes	Discretionary	60.20	64.84	7.71%	} 51,681	Exempt
Rent of new larger council mobile homes	Discretionary	90.40	97.36	7.70%		Exempt

Fees and charges

Housing Revenue Account

	Charge Status	From April 2023 £	From April 2024 £	% Increase		Yield £	VAT treatment
Heating and hot water charges - Independent Retirement Living							
Charge per week							
- Beomonds and Floral House	Discretionary	9.00	9.70	7.78%	}	47,108	Outside scope
- Heatherfields	Discretionary	4.90	5.28	7.76%			Outside scope
Tenants fee for denying access to premises (includes VAT)							
Where a tenant breaks an agreement to make available, access to housing staff and contractors (The Director of Housing and Community Services is authorised to vary this charge as appropriate).	(Incl VAT) Discretionary	50.00	50.00	0.00%		0	Standard
Independent Retirement Living - Management & Administration charge							
- Weekly Management & Administration charge	Discretionary	17.00	17.00	0.00%		170,500	Outside scope

Fees and charges

Housing General Fund Services

	Charge Status	From April 2023 £	From April 2024 £	% Increase		Yield £	VAT treatment
Houses in multiple occupation (HMO) licensing costs							
Basic fee	Discretionary	702.00	702.00	0.00%	}	50,000	Outside scope
Assisted application or undeclared HMO	Discretionary	864.00	864.00	0.00%			Outside scope
Reduction for multiple applications from same applicant	Discretionary	82.00	82.00	0.00%			Outside scope
Reduction for renewal of fees	Discretionary	79.00	79.00	0.00%			Outside scope
HMO licence register: PDF copy of the register (without licence conditions)	Discretionary	0.00	50.00	n/a		0	Outside scope
HMO licence register: individual entry which includes licence conditions	Discretionary	0.00	6.00	n/a		0	Outside scope
Homeless persons accommodation							
Bed and breakfast accommodation							
- flat rate room charge per week	Discretionary	182.00	195.62	7.48%		30,000	Outside scope
The Borough Housing Manager is authorised to increase these charges to certain recipients of supplementary benefit from the DHSS whose lodging allowances are higher than these charges.							