



**Hull**  

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**City Council**

**Housing Revenue  
Account Budget  
Setting - Appendix 1**

**2023/2024**

**Hull City Council - Budget Pack - Annexes**  
**HRA Budget - 2023 / 2024 & beyond**

<b><u>Appendix 1,</u></b>		<b><u>Page</u></b>
<b><u>section</u></b>		
1	<a href="#">HRA Revenue Budget</a> (a) Revenue Budget (b) Key financial indicators (c) Reconciliation of significant changes in year (d) Repairs & Maintenance (e) Disrepair costs and numbers (f) Indicative Five Year Summary (g) Long term income and expenditure trends	3
2	<a href="#">HRA Capital</a> (a) Capital Programme (b) New Build - summary (c) Indicative Five Year Summary (d) Overprogramming (e) Future Capital Requirements	7
3	<a href="#">HRA Reserves</a> (a) reserves 2015/16 to 2025/26 (b) projected reserves to 2059/60 (c) Historic Reserves	11
4	<a href="#">HRA Prudential Indicators</a> (a) Operating Margin (b) Interest Cover Ratio (c) Debt to Turnover (d) Debt Per Property	12
5	<a href="#">Sensitivity Analyses</a> (a) Standard sensitivities (b) direct comparison of not increasing rent by the maximum allowed	14
6	<a href="#">Debt &amp; borrowing analysis</a> (a) HRA Borrowing (b) Debt Maturity by years (c) Borrowing in advance	16
7	<a href="#">Projected changes in dwelling stock by year</a> (a) overall movement (b) right to buy sales (c) Property Voids (d) Average void repair times	18
8	<a href="#">Rent &amp; rent arrears</a> (a) Rent per week (b) Change in budgeted rents (c) Rent Arrears - trends (d) Rent accounts in arrears by benefit status (e) Universal Credit - impact to date (f) Universal Credit - number of claimants (g) Expectations of bad debts	20
9	<a href="#">Service Charges</a>	23

**HRA Revenue Budget**

**Appendix 1, section 1**

**(a) Revenue Budget**

	<u>Current Budget 2022/23</u>	<u>Proposed Budget 2023/24</u>		<u>change</u>	<u>Section</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>%age</u>	
<b>INCOME</b>					
Dwelling rent income	92,515	98,660	6,145	6.6%	8
Charges for services & facilities	3,964	4,372	408	10.3%	9
Non dwelling rents	1,215	1,258	43	3.5%	
Leaseholders charge for services	450	531	81	18.0%	
Other fees & charges	446	461	14	3.2%	
Interest on balances	143	2,838	2,695	1883.0%	note - below
General Fund Transfer re whole community	1,139	1,449	310	27.2%	
<b>TOTAL INCOME</b>	<b>99,874</b>	<b>109,569</b>	<b>9,695</b>	<b>9.7%</b>	
<b>EXPENDITURE</b>					
Repairs & Maintenance	26,548	28,307	1,759	6.6%	
Supervision and Management	18,063	20,725	2,662	14.7%	
Special Services	6,097	8,341	2,244	36.8%	
Rent, rates, taxes & other charges	1,038	1,063	25	2.5%	
Provision For Doubtful Debt	852	920	68	8.0%	8
Capital Financing Costs	46,917	48,309	1,392	3.0%	
Contribution to Corporate & Democratic Core	355	376	21	6.1%	
Provisions	182	250	68	37.3%	below
<b>TOTAL EXPENDITURE</b>	<b>100,052</b>	<b>108,292</b>	<b>8,240</b>	<b>8.2%</b>	
Net surplus / (deficit)	<b>(178)</b>	<b>1,277</b>	<b>1,456</b>		
<b>Provisions</b>					
HMIS	0	0	0		
General	182	250	68	37.3%	
	<b>182</b>	<b>250</b>	<b>68</b>	<b>37.3%</b>	

Interest on balances

Balances are artificially very high because of the effects of borrowing £75m in advance, and interest rates on investments are currently forecast to be 3.75%, which is also abnormally high. This means the projected income is - in effect - a one off occurrence.

6

**(b) Key financial indicators**

			<i>target</i>	
Operating Margin	18.19%	14.73%	(3.47%)	20% minimum
Interest Cover Ratio	2.09	1.91	(0.18)	> 1.50

*Operating Margin*

*This indicator measures the operating surpluses to turnover. This excludes capital financing charges but includes depreciation and contributions to the Major Repairs Reserve. It is a measure traditionally used in the housing association sector and there are thus robust benchmarks to measure ourselves against.*

Income (excluding interest on balances)	99,731	106,731	7,001	7.0%
Expenditure before interest & debt repayments	81,588	91,014	9,427	11.6%
Operating margin	18,143	15,717	16,427	90.5%
	18.19%	14.73%		

*Interest Cover Ratio*

*This indicator measures the interest cost relative to operating surpluses before capital financing charges. It is a measure traditionally used in the housing association sector and there are thus robust benchmarks to measure ourselves against.*

Interest payments	8,674	8,241	(434)	-5.0%
Operating margin	18,143	15,717	(2,426)	-13.4%
Interest cover ratio	2.09	1.91		

**Hull City Council - Budget Pack - Annexes**  
**HRA Budget - 2023 / 2024 & beyond**

**HRA Revenue Budget**

**Appendix 1, section 1**

**(c) Reconciliation of significant changes in year**

	<u>Income</u> <u>£'000</u>	<u>£'000</u>	<u>Expenditure</u> <u>£'000</u>	<u>£'000</u>
<b>Balances per prior year budget</b>		99,874		100,052
<u>Change in energy prices</u>				
additional usage/ inflationary impact in 22/23	91		932	
Utility price inflation in 23/24	170		966	
		261		1,898
<u>Rents and service charges</u>				
Rent & Service Charge increase (inc leap year)	7,194			
Changes in voids	97			
Changes in property numbers	(969)			
Properties on void increasing to Formula Rents	202			
		6,523		0
<u>Repairs and maintenance &amp; property costs</u>				
Changes in property numbers			(301)	
Changes in voids			(612)	
Change in unit prices on partner contractor (inc overheads)			1,754	
Major Repairs Allowance (funds the maintenance of existing properties over the life of the Business Plan)			2,926	
Streetlighting & gullies	(20)		(20)	
Structural surveys			(38)	
Painting programme			403	
Other R&M			83	
		(20)		4,195
<u>Changes in tenant behaviours</u>				
Right to Buys	6		51	
Leaseholders	81		21	
Disrepair (incl staffing, legal costs and compensation)			1,365	
Change in bad debts			48	
		87		1,485
<u>Regulatory changes</u>				
Building safety & fire protection (incl staffing)			164	
Housing Ombudsman costs (costs not within our control)			33	
		0		198
<u>Direct Employee Costs</u>				
Pay awards (including 22/23 being above budget)			1,222	
Reduction in corporate pension contributions			(110)	
NHS & Social Care Levy - reversal of last years increase			(115)	
Past service pensions costs			208	
Other staffing changes			152	
Additional surveying resource			126	
Other pay			(7)	
Additional assumed vacancy factors			(218)	
		0		1,257
<u>Increasing external costs</u>				
Premises costs (including NNDR & WorkSmart costs)			(142)	
Other inflationary pressures			27	
		0		(115)
<u>Recharges</u>				
Grounds maintenance & footpaths	142		91	
Building cleaning			48	
Other SLAs	0		341	
		142		480
<u>Capital Financing</u>				
Interest receipts & payments / debt premia	2,695		(434)	
Debt repayments (repaid as fall due) / Revenue contribution to new build			(829)	
		2,695		(1,263)
<u>Others</u>				
Photovoltaics	8			
Tenancy management			53	
Downsizing scheme			50	
IT budgets / HMS project			(44)	
		8		59
		109,570		108,246
Other changes		(1)		46
		109,569		108,292
Net change		9,695		8,240
		9.7%		8.2%

**Hull City Council - Budget Pack - Annexes**  
**HRA Budget - 2023 / 2024 & beyond**

**HRA Revenue Budget**

**Appendix 1, section 1**

**(d) Repairs & Maintenance**

	<u>Current</u> <u>Budget</u> <u>2022/23</u> <u>£'000</u>	<u>Proposed</u> <u>Budget</u> <u>2023/24</u> <u>£'000</u>	<u>£'000</u>	<u>change</u> <u>%age</u>
Day to Day Repairs	6,559	7,035	476	7.3%
Relet repairs	6,410	6,107	(303)	-4.7% below
Gas Servicing & Heating Repairs	2,397	2,528	131	5.5%
Planned / cyclical repairs	3,735	4,163	428	11.5%
Other Mechanical, Electrical & Specialist Repairs	1,144	1,106	(38)	-3.3%
KWL Overheads	5,537	5,655	118	2.1%
Sundry other costs	186	180	(6)	-3.2%
Disrepair	80	300	220	275.0%
Contingency	500	1,233	733	146.6%
	<u>26,548</u>	<u>28,307</u>	<u>1,759</u>	<u>6.6%</u>
of which KWL	24,355	25,097		
Compared to total spend excluding contingency	93.5%	92.7%		

Re-let repairs assumes that the number of repairs decreases from 1873 to 1735

**HRA Revenue Budget**

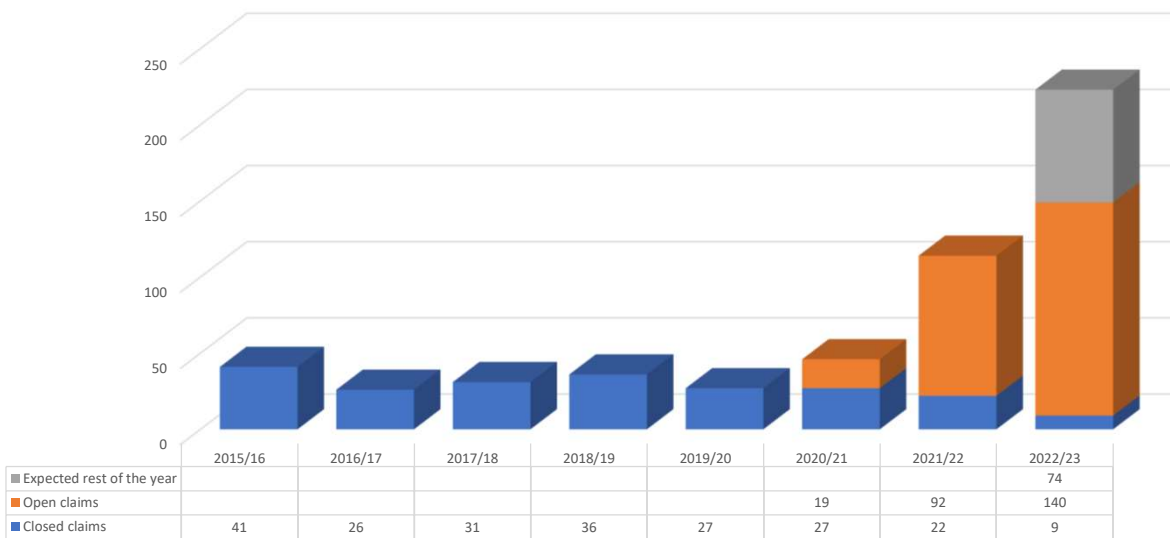
**(e) Disrepair costs and numbers**

Included within the budgets above are provisions for external disrepair costs as set out below.

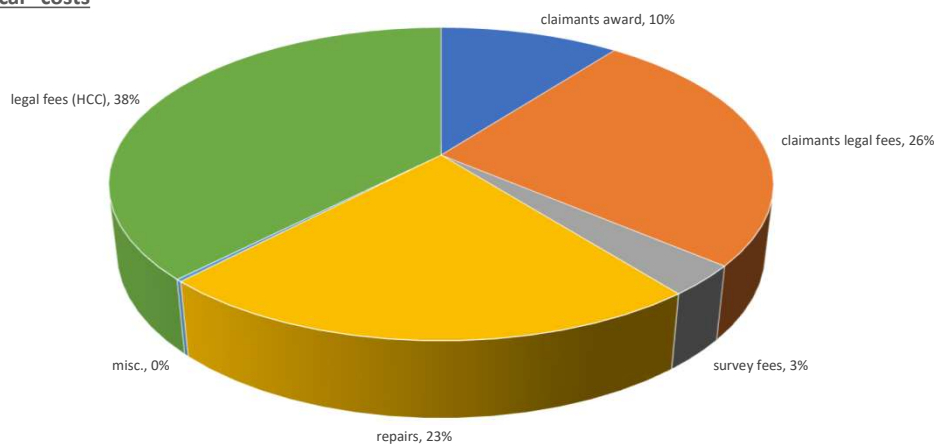
	<u>Current</u> <u>Budget</u> <u>2022/23</u> <u>£'000</u>	<u>Proposed</u> <u>Budget</u> <u>2023/24</u> <u>£'000</u>	<u>£'000</u>	<u>change</u> <u>%age</u>
Claimants awards	0	460	460	
Legal fees	0	500	500	
Cost of surveys & repairs	80	300	220	275.0%
	<u>80</u>	<u>1,260</u>	<u>1,180</u>	<u>1475.0%</u>

Overall recent claims history

Disrepair claims by year



Breakdown of "typical" costs



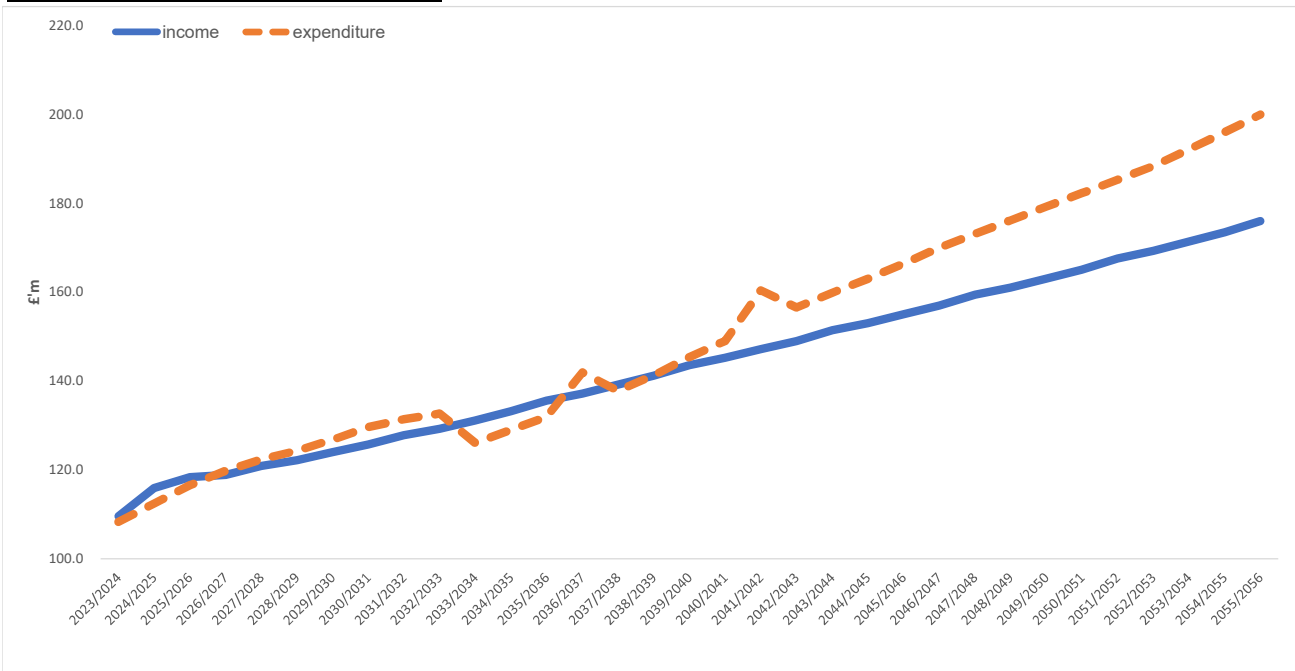
**HRA Revenue Budget**

**Appendix 1, section 1**

**(f) Indicative Five Year Summary**

	2023/2024 £'000	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000	2027/2028 £'000
<b>INCOME</b>					
Dwelling rent income	98,660	104,803	108,154	108,858	110,616
Charges for services & facilities	4,372	5,180	5,391	5,544	5,722
Non dwelling rents	1,258	1,054	1,083	1,091	1,121
Leaseholders charge for services	531	563	585	594	606
Other fees & charges	461	478	482	482	483
Interest on balances	2,838	2,204	959	537	568
General Fund Transfer re whole community	1,449	1,645	1,703	1,755	1,811
<b>TOTAL INCOME</b>	<b>109,569</b>	<b>115,926</b>	<b>118,357</b>	<b>118,859</b>	<b>120,927</b>
<b>EXPENDITURE</b>					
Repairs & Maintenance	28,307	29,267	30,089	30,914	31,804
Supervision and Management	20,725	21,777	22,640	23,475	24,307
Special Services	8,341	9,103	9,515	9,802	10,147
Rent, rates, taxes & other charges	1,063	1,006	1,000	1,024	1,052
Provision For Doubtful Debt	920	1,028	1,054	1,055	1,073
Capital Financing Costs	48,309	49,606	51,610	52,823	53,299
Contribution to Corporate & Democratic Core	376	392	403	415	428
Provisions	250	250	250	250	250
<b>TOTAL EXPENDITURE</b>	<b>108,292</b>	<b>112,428</b>	<b>116,561</b>	<b>119,758</b>	<b>122,359</b>
Net surplus / (deficit)	1,277	3,499	1,796	(899)	(1,432)
<b>Key financial indicators</b>					
Operating Margin	14.7%	16.1%	16.1%	14.8%	14.1%
Interest Cover Ratio	1.91	2.31	2.52	2.49	2.17

**(g) Long term income and expenditure trends**



HRA Capital  
(a) Capital Programme

Appendix 1, section 2

	Current Budget	Proposed	change Section	
	2022/23	Budget 2023/24	£'000	%age
<b>Capital Spend</b>				
Maintaining Decent Homes	11,345	12,271	926	8.2%
Mechanical & electrical	6,077	8,826	2,749	45.2%
KWL overheads	2,658	2,850	192	7.2%
Others (inc. client costs)	2,085	2,372	287	13.8%
Fire Protection Works & other Health & Safety work	5,453	3,544	(1,909)	-35.0%
Council House Adaptations	2,752	3,357	605	22.0%
Empty Properties	1,780	2,101	321	18.0%
Ferensway House	0	0	0	
Regeneration	795	718	(77)	-9.6%
<b>Base Programme</b>	32,945	36,039	3,094	9.4%
Cladding	13,955	19,021	5,066	36.3%
New build	14,307	20,462	6,155	43.0%
RTB grants	278	8	(270)	-97.2%
<b>TOTAL EXPENDITURE</b>	61,485	75,530	14,045	22.8%
Over-programming	0	(20,000)	(20,000)	2(d)
<b>TOTAL BUDGETED EXPENDITURE</b>	61,485	55,530	(5,955)	-9.7%
<b>Capital Financing</b>				
RTB Receipts - new build	1,433	0	(1,433)	-100.0%
Borrowing taken in advance	50,000	3,297	(46,703)	-93.4%
RTB Receipts - general	8,507	27,612	19,105	224.6%
Homes England	1,445	508	(937)	-64.9%
LA Housing Fund	0	1,220	1,220	
Brownfield Release Fund	0	1,650	1,650	
Social Housing Decarbonisation Fund / ECO	100	403	303	303.0%
MRA (general)	0	20,840	20,840	
Borrowing	0	0	0	
	61,485	55,530	(5,955)	-9.7%

Note - these costs are based on decency to be maintained going forward but the programme is essentially a reactive programme taking action where items are failing. Programme delivery at this level would keep properties in a reasonable state of repair but would not meet any aspirational standards and would not prevent further decline in areas that are already showing signs of stress or failure. Failure to replace some elements on a planned basis will also result in pressure on responsive repair budgets. Some essential planned work will also be carried out only to prevent elemental failure, such as boiler replacements.

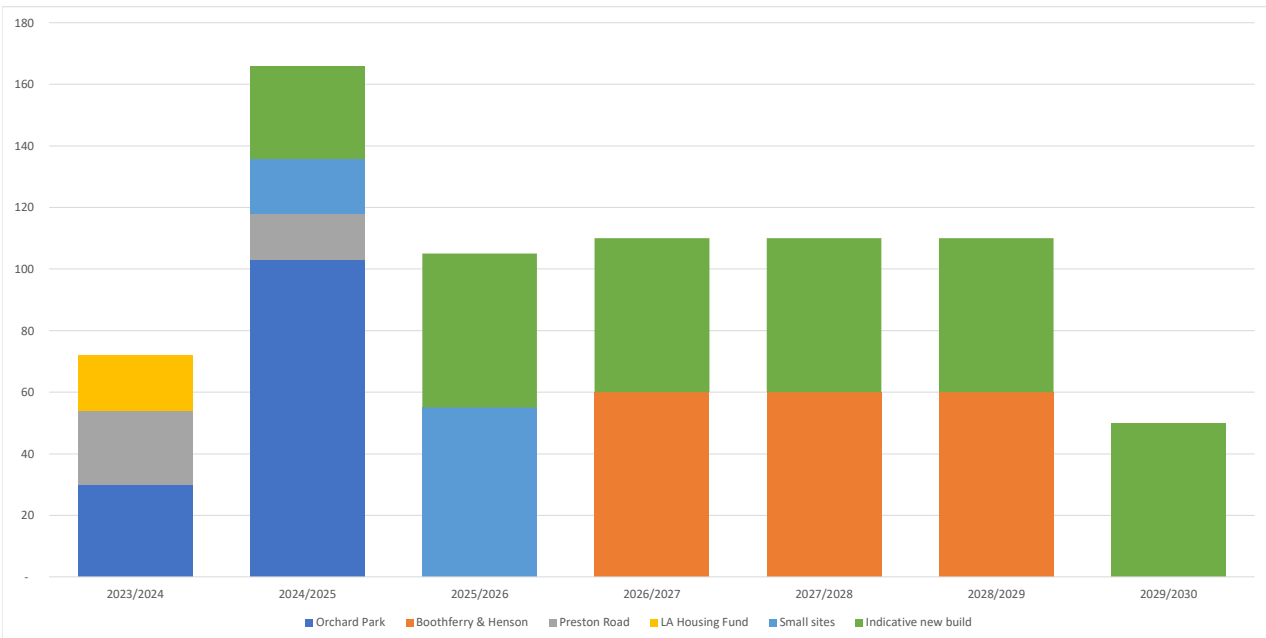


**(b) New Build - summary**

**7 year programme**

	<u>Total cost (pre inflation)</u>	<u>Total number of units</u>	<u>Average cost per unit</u>	<u>Notes</u>
	<u>£'000</u>		<u>£'000</u>	
<u>Committed</u>				
Dane Park Primary School Site	21,100	99	213	
Isledane	7,400	34	218	
Boothferry	32,663	150	218	
Henson Villas	4,860	30	162	
Preston Road	310	9	34	Completion of programme
Turnkey	4,231	30	141	
Small sites	18,654	73	256	
LA Housing Fund?	3,150	18	175	
Indicative new build	5,550	30	185	
New programme	56,250	250	225	
	<b>154,168</b>	<b>723</b>	<b>213</b>	

**By year**



**Hull City Council - Budget Pack - Annexes**  
**HRA Budget - 2023 / 2024 & beyond**

**(c) Indicative Five Year Summary**

	2023/2024 £'000	2024/2025 £'000	2025/2026 £'000	2026/2027 £'000	2027/2028 £'000	5 year total £'000
<b>Capital Spend</b>						
Maintaining Decent Homes	12,271	13,271	12,673	12,525	10,336	61,076
Mechanical & electrical	8,826	16,131	8,994	9,279	2,346	45,577
KWL overheads	2,850	2,964	3,059	3,157	3,258	15,287
Others (inc. client costs)	2,372	2,467	2,546	2,627	2,711	12,723
Fire Protection Works & other Health & Safety work	3,544	12,440	1,232	222	229	17,666
Council House Adaptations	3,357	2,970	2,639	2,724	2,811	14,500
Empty Properties	2,101	361	213	220	227	3,122
Regeneration	718	2,749	2,290	1,044	851	7,652
<b>Base Programme</b>	36,039	53,353	33,646	31,797	22,768	177,603
Cladding	19,021	17,539	11,784	12,090	12,477	72,911
New build	20,462	31,984	19,075	26,565	26,000	124,085
RTB grants	8	0	0	0	0	8
<b>TOTAL EXPENDITURE</b>	75,530	102,876	64,505	70,452	61,245	374,608
Over-programming	(20,000)	(30,000)	10,000	10,000	10,000	(20,000)
<b>TOTAL BUDGETED EXPENDITURE</b>	55,530	72,876	74,505	80,452	71,245	354,608

**Capital Financing**

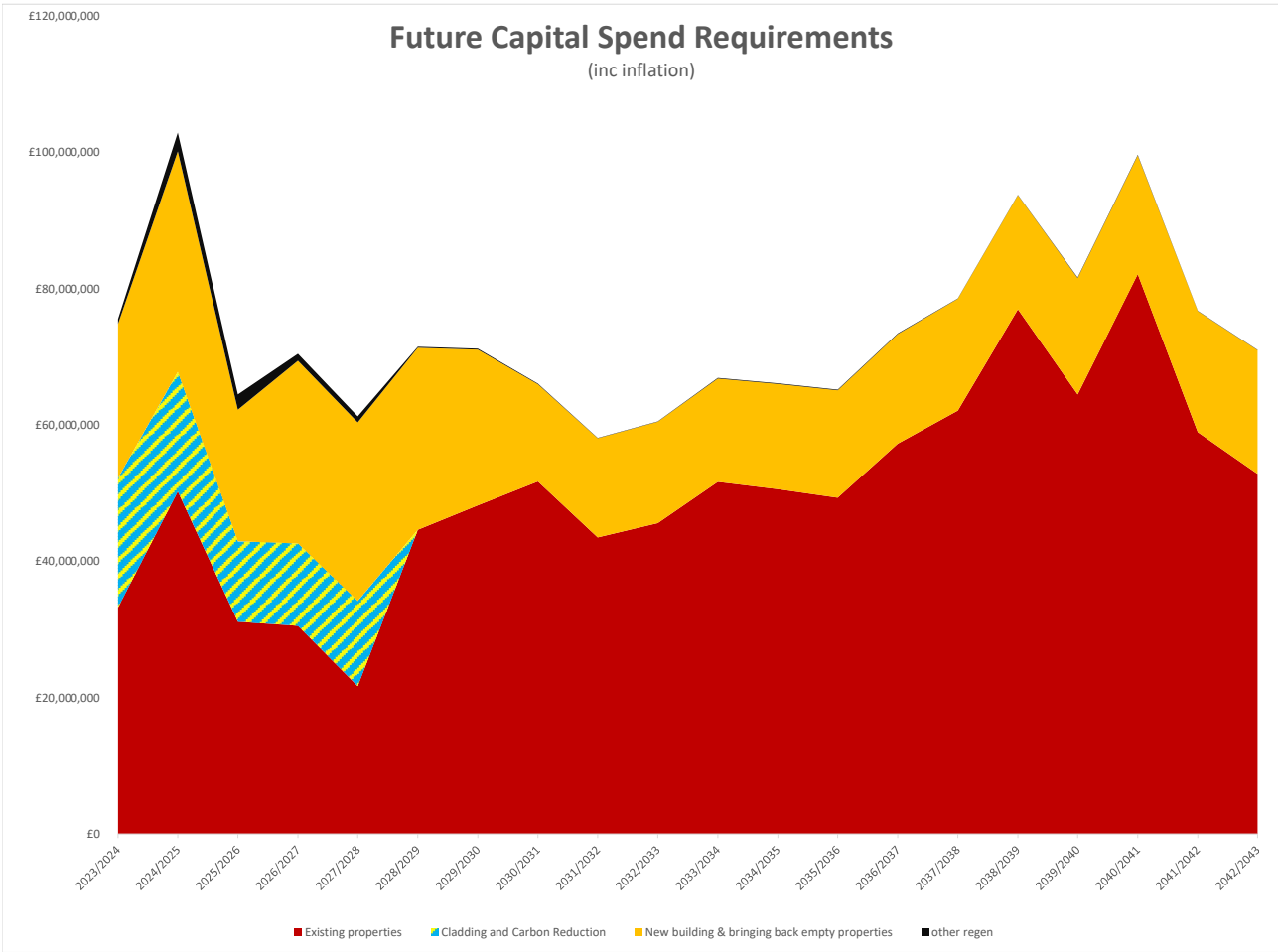
RTB Receipts - new build	0	0	0	0	0	0
Borrowing taken in advance	3,297	0	0	0	0	3,297
RTB Receipts - general	27,612	1,703	1,721	1,738	1,755	34,528
Homes England	508	1,742	3,375	5,626	6,752	18,003
LA Housing Fund	1,220	0	0	0	0	1,220
Brownfield Release Fund	1,650	0	0	0	0	1,650
Social Housing Decarbonisation Fund / ECO	403	1,615	100	100	100	2,318
MRA (general)	20,840	67,815	66,718	34,822	35,289	225,485
RCCO	0	0	0	0	0	0
Borrowing	0	0	2,591	38,166	27,348	68,106
	55,530	72,876	74,505	80,452	71,245	354,608

**(d) Overprogramming**

The budget assumes a level of over-programming in the next two years reflecting historic levels of delivery from our partner contractors. There are significant schemes including New Build where achievement of Planning Permission, for example, can have a material impact upon the deliverability of scheme spend in the short term. Over-programming is expected to be recovered in the subsequent 5 years for budgetary / capital financing purposes but the target for delivery by scheme remains the gross number.



**(e) Future Capital Requirements**



**notes on longer term forecasts**

These numbers exclude the wider impact of Carbon Net Zero on budgets going forward (separately modelled as a scenario)  
Also excludes an separate change in heating systems in future years to reflect degassification and other potential impacts of Government's Heat & Building's strategy. New build properties already planned without gas boilers. In effect assumed replacement systems will be at broadly equivalent costs.  
Numbers are based on our current understanding of property condition and thus likely need to replace components. Overall stock intelligence is lower than it should be and therefore there is substantial scope for change over the medium to long term should actual property conditions differ to assumptions.  
Future years spends after 27/28 are indicative and likely to vary in order to reflect more structured capital programmes. These are all reflected at current standards (i.e. Decent Homes) and do not allow for any changes through Decent Homes plus or any subsequent standards changes that may occur.

HRA Reserves

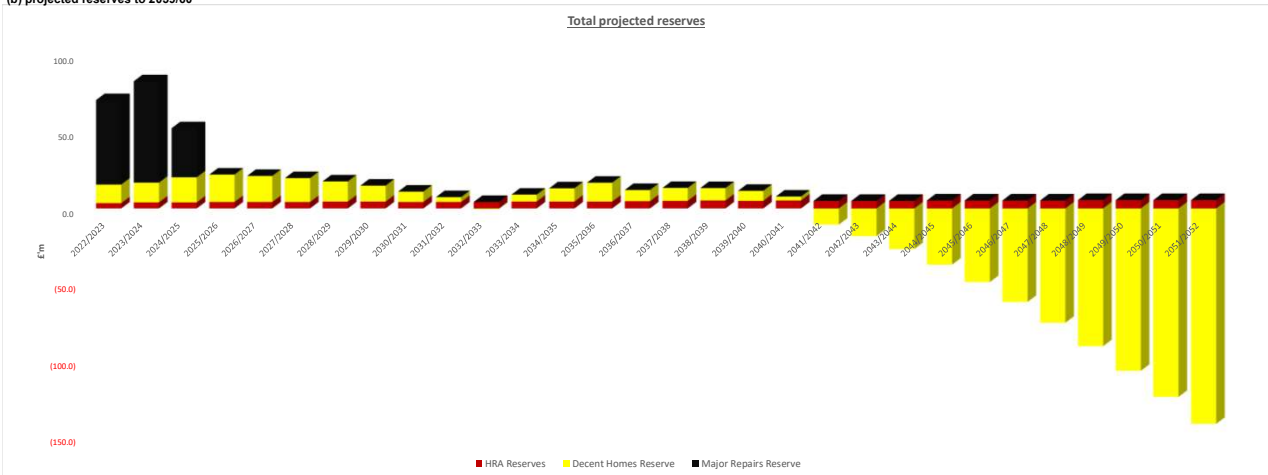
(a) reserves 2015/16 to 2025/26

	2015/16 Outturn	2016/17 Outturn	2017/18 Outturn	2018/19 Outturn	2019/20 Outturn	2020/21 Outturn	2021/22 Outturn	2022/23 Forecast	2023/2024	2024/2025	2025/2026	2026/2027
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<i>[period 9 projection]</i>												
balance b/f	38,603	27,334	28,416	27,511	25,061	26,407	19,549	18,095	17,148	18,426	21,925	23,720
transfer to / (from) in year	(11,269)	1,082	(905)	(2,450)	1,345	(6,858)	(1,455)	(946)	1,277	3,499	1,796	(899)
balance c/f	27,334	28,416	27,511	25,061	26,407	19,549	18,095	17,148	18,426	21,925	23,720	22,822
HRA General Reserve	3,000	3,000	3,000	3,000	3,000	3,500	3,500	3,500	4,000	4,000	4,250	4,250
Decent Homes Reserve	24,334	25,416	24,511	22,061	23,407	16,049	14,595	13,648	14,426	17,925	19,470	18,572
	27,334	28,416	27,511	25,061	26,407	19,549	18,095	17,148	18,426	21,925	23,720	22,822

Major Repairs reserve

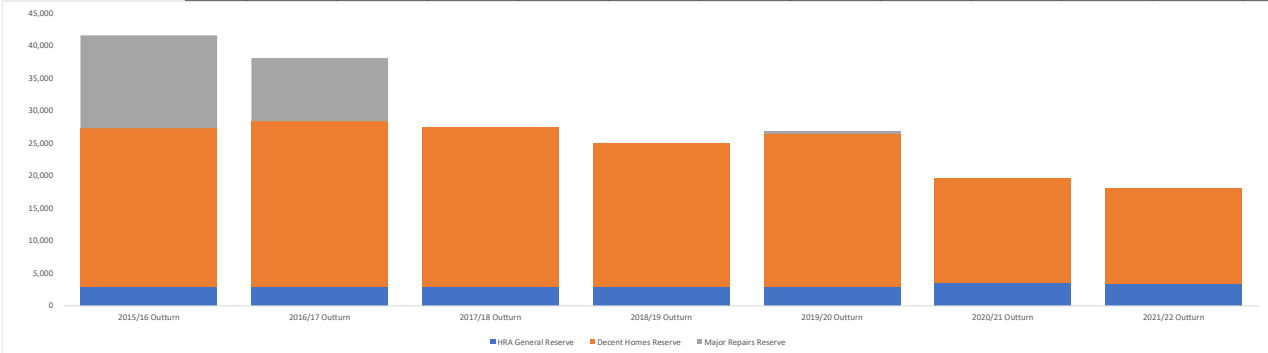
balance b/f								26,067	55,314	66,376	32,122	0
addition in year								29,247	31,902	33,562	34,596	34,822
used to fund capital									(20,840)	(67,815)	(66,718)	(34,822)
									55,314	66,376	32,122	0
used to repay borrowing									0	0	0	0
balance c/f									55,314	66,376	32,122	0

(b) projected reserves to 2059/60



(c) Historic Reserves

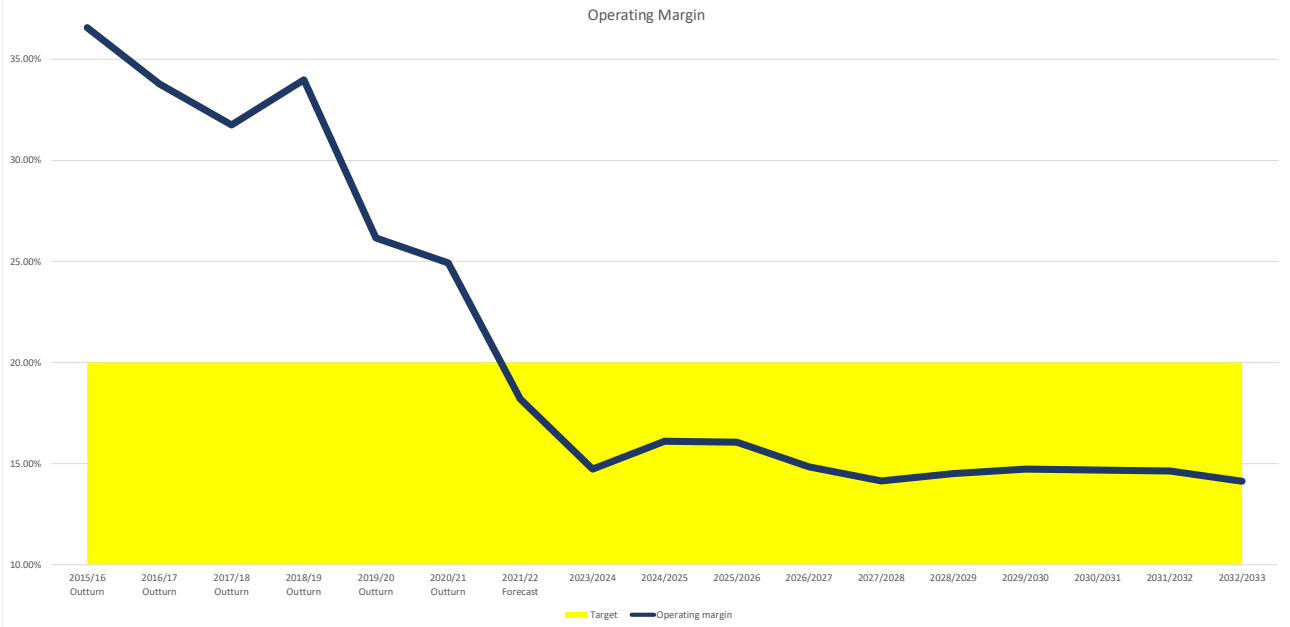
	2015/16 Outturn	2016/17 Outturn	2017/18 Outturn	2018/19 Outturn	2019/20 Outturn	2020/21 Outturn	2021/22 Outturn	2022/23 Forecast	2023/2024	2024/2025	2025/2026	2026/2027
HRA General Reserve	3,000	3,000	3,000	3,000	3,000	3,500	3,500	3,500	4,000	4,000	4,250	4,250
Decent Homes Reserve	24,334	25,416	24,511	22,061	23,407	16,049	14,595	13,648	14,426	17,925	19,470	18,572
Major Repairs Reserve	14,252	9,884	0	0	466	0	0	55,314	66,376	32,122	0	0
	41,586	38,080	27,511	25,061	26,872	19,549	18,095	72,462	84,802	54,047	23,720	22,822



**(a) Operating Margin**

This indicator measures the operating surpluses to turnover. This excludes capital financing charges but includes depreciation and contributions to the Major Repairs Reserve. It is a measure traditionally used in the housing association sector and there are thus robust benchmarks to measure ourselves against.

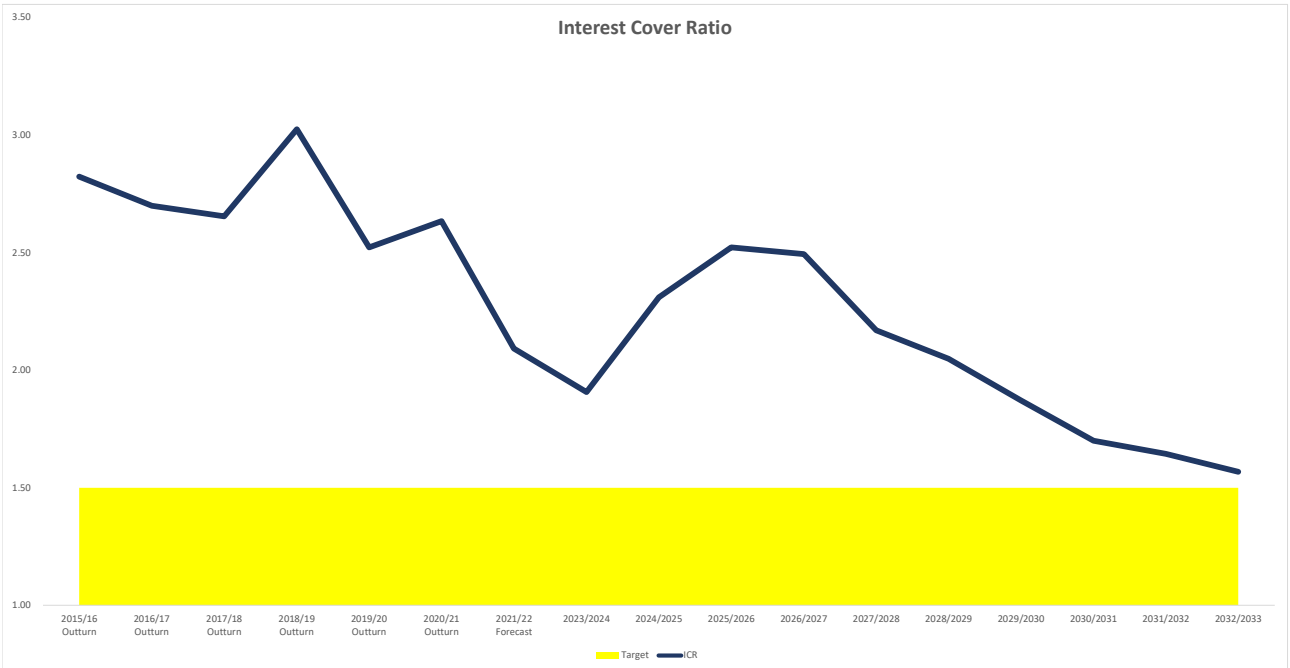
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2023/2024	2024/2025	2025/2026	2026/2027
Operating margin	36.57%	33.78%	31.76%	33.97%	26.17%	24.92%	18.19%	14.73%	16.11%	16.06%	14.84%
Target	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%



**(b) Interest Cover Ratio**

This indicator measures the interest cost relative to operating surpluses before capital financing charges. It is a measure traditionally used in the housing association sector and there are thus robust benchmarks to measure ourselves against.

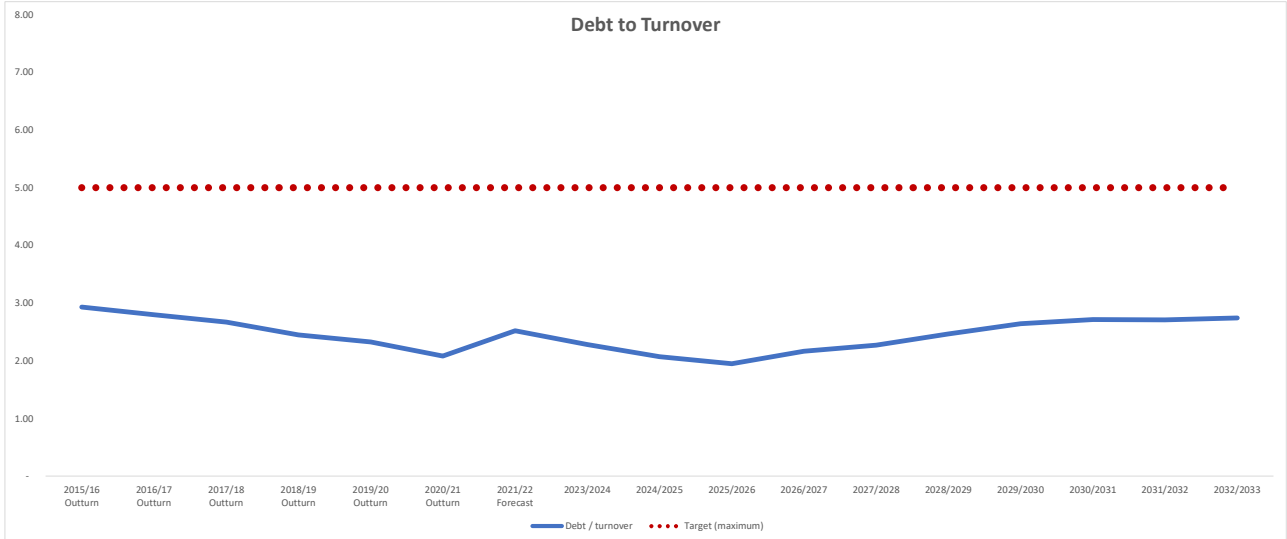
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2023/2024	2024/2025	2025/2026	2026/2027
ICR	2.82	2.70	2.65	3.02	2.52	2.63	2.09	1.91	2.31	2.52	2.49
Target	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50



**(c) Debt to Turnover**

This indicator measures the overall level of debt compared to total turnover. It is a measure traditionally used in the housing association sector and there are thus robust benchmarks to measure ourselves against.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2023/2024	2024/2025	2025/2026	2026/2027
Debt / turnover	2.93	2.80	2.67	2.45	2.33	2.08	2.52	2.28	2.07	1.95	2.16
Target (maximum)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00



**(d) Debt Per Property**

This indicator measures the average level of debt per property. There are limited external benchmarks to compare this with and the ones that there are tend to show marked geographical differences.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2023/2024	2024/2025	2025/2026	2026/2027
Debt per property	£11,804	£11,180	£10,509	£9,694	£9,287	£8,452	£10,787	£10,621	£10,349	£10,152	£11,439



Sensitivity Analyses

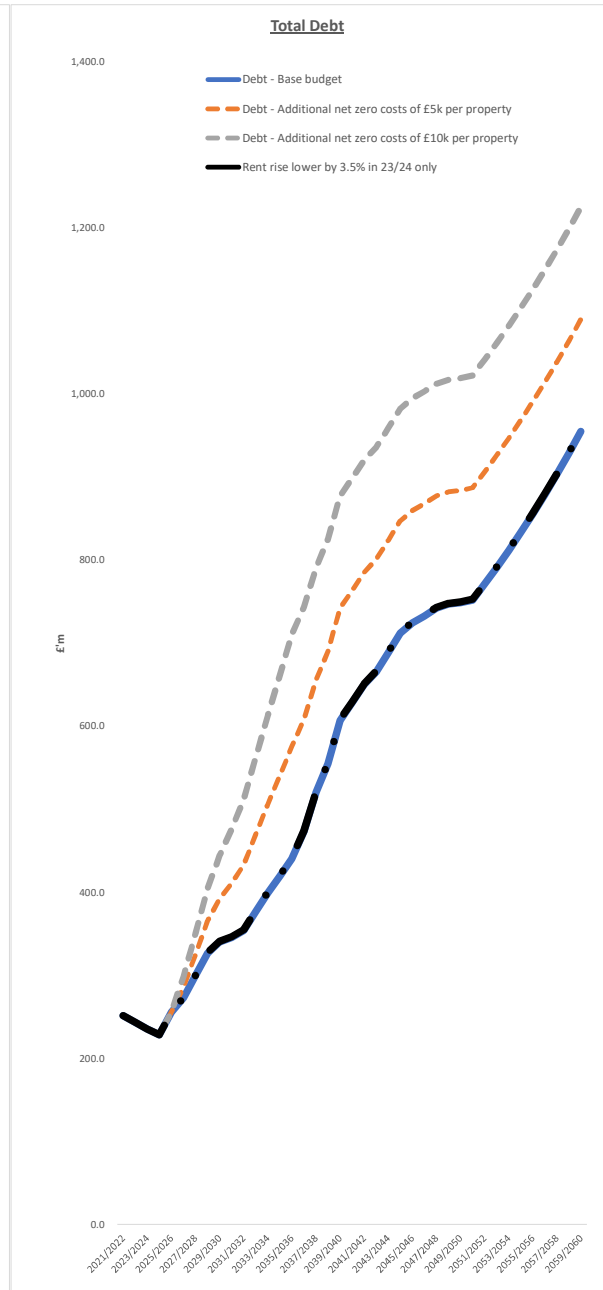
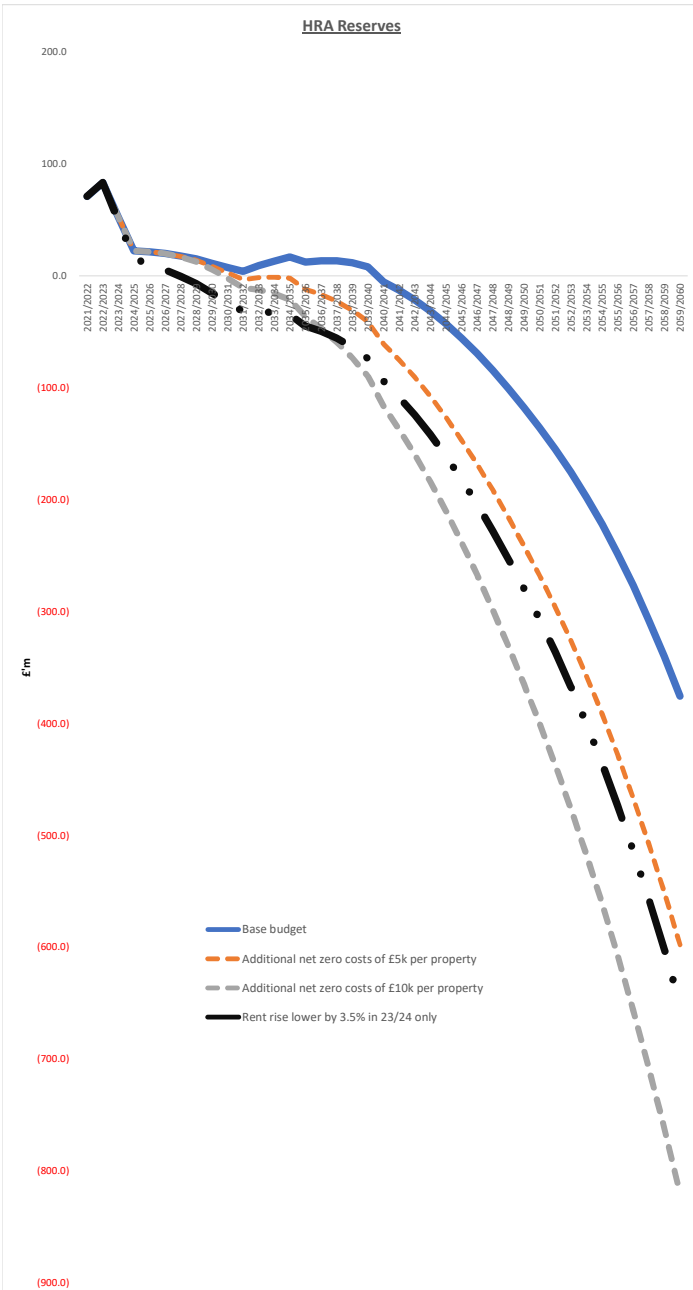
(a) Standard sensitivities

The tables and graphs below show four additional potential scenarios and the impact on reserves and debt.

Reserves	Notes	2023/2024	2028/2029	2033/2034	2038/2039	2043/2044	2048/2049	2053/2054	2058/2059
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Base Budget	α	52,507	14,951	13,214	11,546	(31,424)	(100,801)	(198,043)	(340,198)
Rent rise lower by 3.5% in 23/24 only	β	49,056	(7,158)	(33,002)	(63,859)	(141,901)	(253,241)	(400,474)	(602,029)
Additional net zero costs of £5k per property	γ	52,507	13,773	(1,350)	(30,893)	(107,693)	(215,910)	(357,742)	(551,089)
Additional net zero costs of £10k per property	δ	52,507	12,494	(16,009)	(73,422)	(184,046)	(331,093)	(517,506)	(762,034)

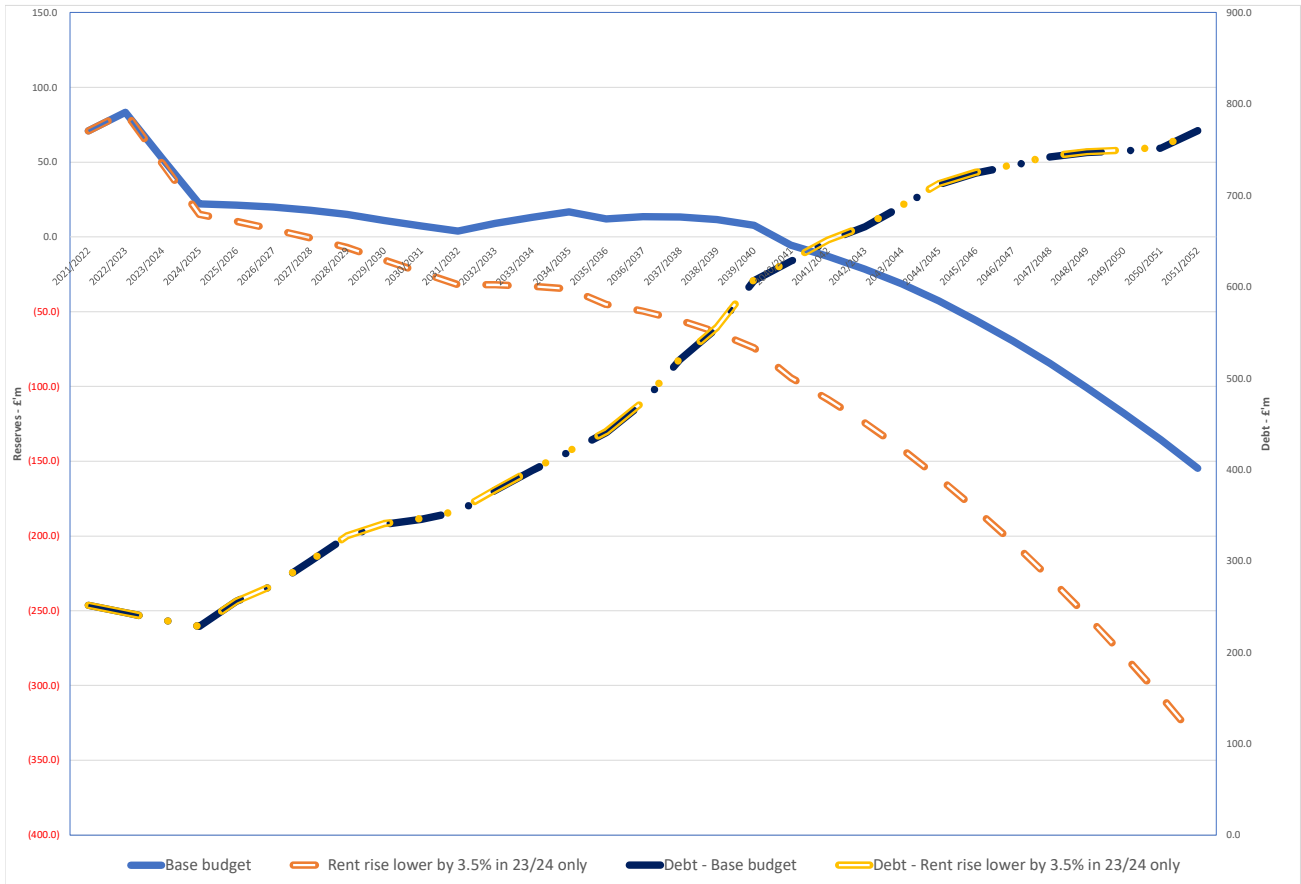
Total debt	Notes	2023/2024	2028/2029	2033/2034	2038/2039	2043/2044	2048/2049	2053/2054	2058/2059
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Base Budget	α	235,321	326,559	398,968	554,752	688,190	746,796	811,396	928,449
Rent rise lower by 3.5% in 23/24 only	β	235,321	327,559	399,968	555,752	689,190	747,796	812,396	929,449
Additional net zero costs of £5k per property	γ	235,321	365,357	505,663	689,947	823,385	881,991	946,590	1,063,643
Additional net zero costs of £10k per property	δ	235,321	404,056	612,257	825,041	958,479	1,017,085	1,081,685	1,198,738



α - base budget  
 β - as above but with a 3.5% lower rent increase  
 γ - the base but with an additional £5k per property to accommodate Carbon Net Zero works (net of grants) and increased Decent Homes Standards  
 δ - the base but with an additional £10k per property to accommodate Carbon Net Zero works (net of grants) and increased Decent Homes Standards

(b) direct comparison of not increasing rent by the maximum allowed

The graph below shows the direct impact of not increasing rent by the maximum allowed on reserves & debt levels.



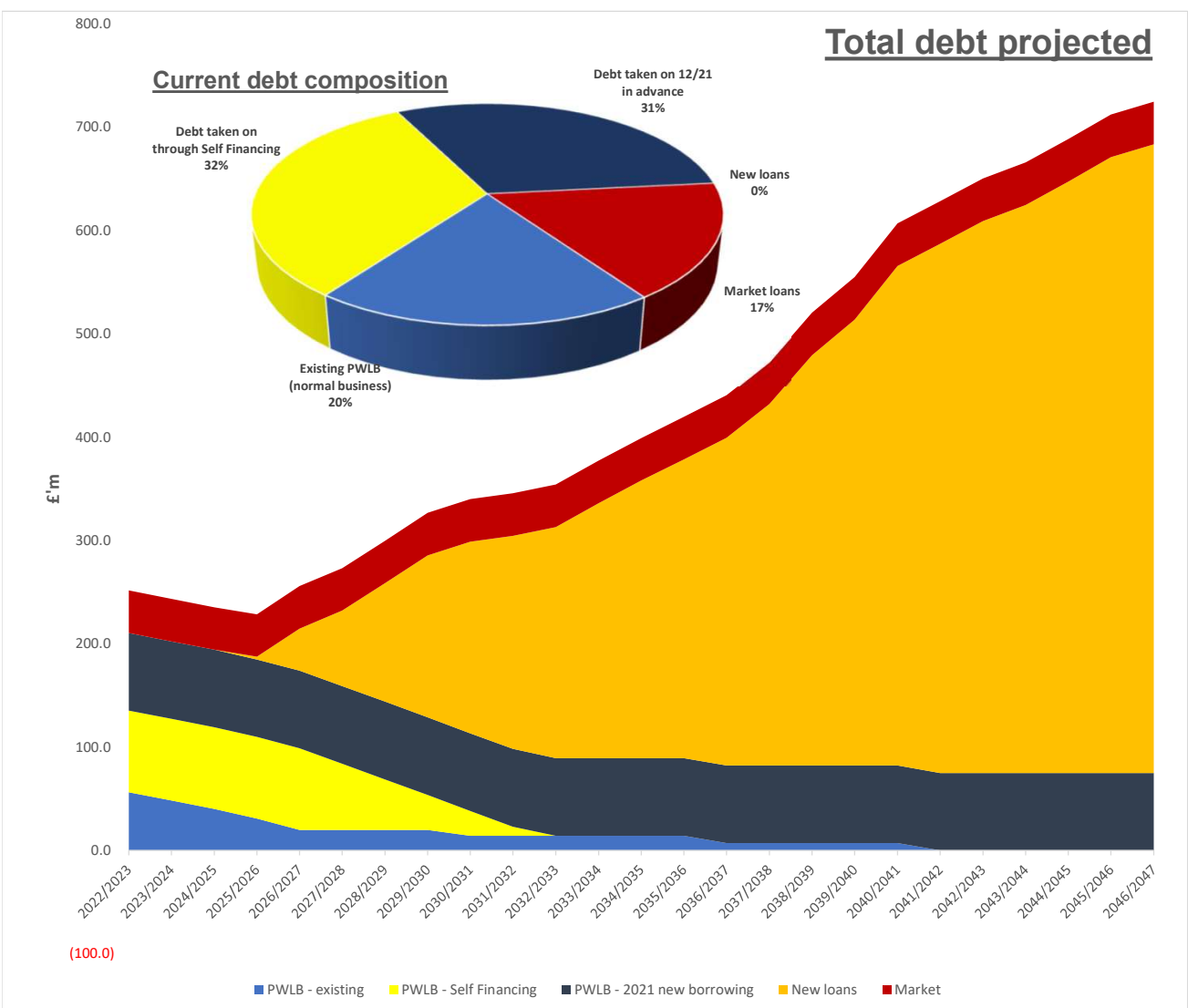


**Debt & borrowing analysis**

**Appendix 1, section 6**

**(a) HRA Borrowing**

	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>	<b>2026/2027</b>	<b>2027/2028</b>
Existing PWLB (normal business)	48,230	40,213	30,781	19,933	19,885
Debt taken on through Self Financing	78,989	78,989	78,989	78,989	63,989
Debt taken on 12/21 in advance	75,000	75,000	75,000	75,000	75,000
New loans	0	0	2,591	40,757	73,106
Market loans	41,119	41,119	41,119	41,119	41,119
	<b>243,337</b>	<b>235,321</b>	<b>228,480</b>	<b>255,798</b>	<b>273,099</b>
Borrowing b/f	251,410	243,337	235,321	228,480	255,798
new borrowing	0	0	2,591	38,166	32,348
repaid in year (net)	(8,072)	(8,016)	(9,432)	(10,848)	(15,047)
	<b>243,337</b>	<b>235,321</b>	<b>228,480</b>	<b>255,798</b>	<b>273,099</b>

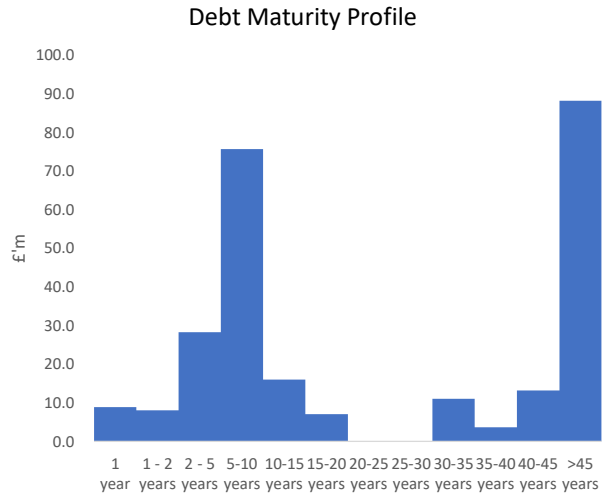


**Debt & borrowing analysis**

**Appendix 1, section 6**

**(b) Debt Maturity by years**

	<b><u>£'000</u></b>
1 year	8,901
1 - 2 years	8,072
2 - 5 years	28,297
5-10 years	75,774
10-15 years	16,068
15-20 years	7,079
20-25 years	0
25-30 years	0
30-35 years	11,014
35-40 years	3,671
40-45 years	13,217
>45 years	88,217
	<b><u>260,311</u></b>



**(c) Borrowing in advance**

In line with the General Fund strategy, to take advantage of historically low interest rates at this time, the HRA has borrowed £75m in advance at an average interest rate of 1.39%, which is expected to be used as below:

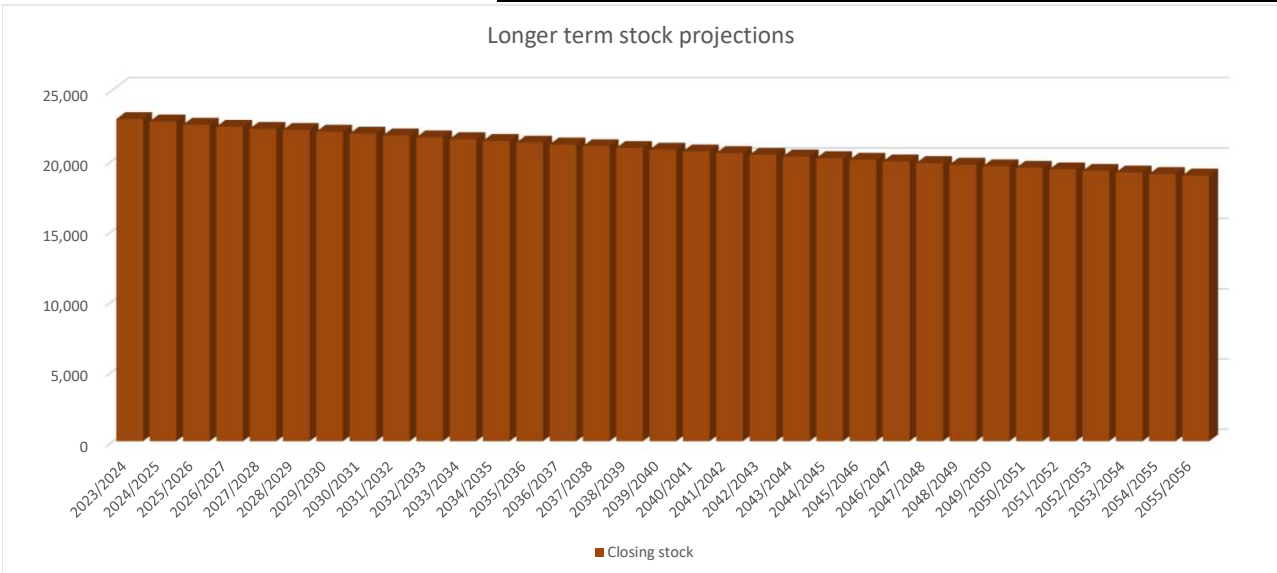
	<b><u>2021/2022</u></b>	<b><u>2022/2023</u></b>	<b><u>2023/2024</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>
Balance b/f	75,000	44,996	3,297
Used in year	(30,004)	(41,698)	(3,297)
c/f	<b><u>44,996</u></b>	<b><u>3,297</u></b>	<b><u>0</u></b>

**Hull City Council - Budget Pack - Annexes**  
**HRA Budget - 2023 / 2024 & beyond**

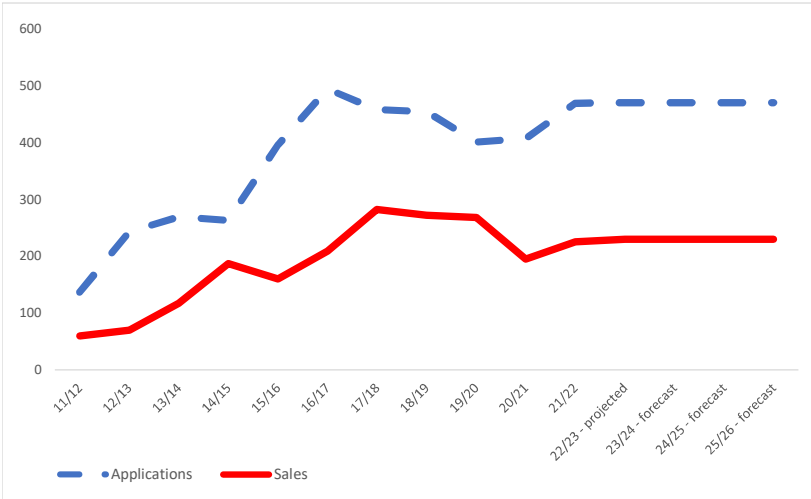
**Projected changes in dwelling stock by year**

**Appendix 1, section 7**

(a) overall movement	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Opening stock	23,085	22,910	22,739	22,507	22,362
New build/ empties etc	80	166	105	110	110
RTB Sales	(230)	(230)	(230)	(230)	(230)
Demolitions	(25)	(25)	(25)	(25)	(25)
Boothferry MSFs	0	(82)	(82)	0	0
others					
Closing stock	22,910	22,739	22,507	22,362	22,217



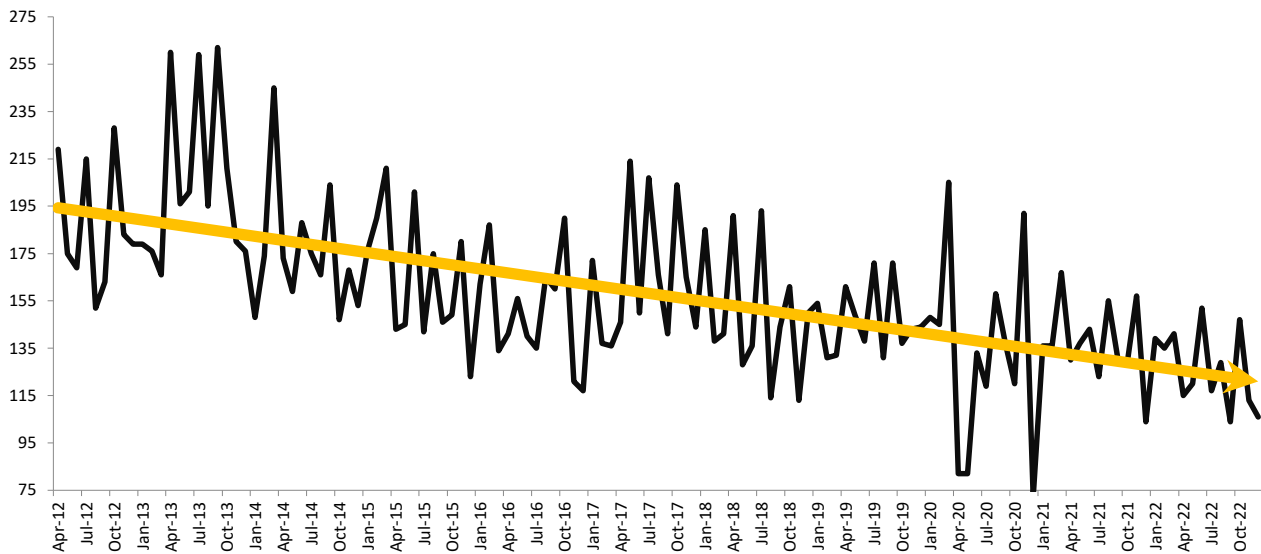
**(b) right to buy sales**



	<u>Applications</u>	<u>Sales</u>
11/12	137	60
12/13	243	70
13/14	269	117
14/15	263	187
15/16	396	160
16/17	494	209
17/18	458	282
18/19	454	272
19/20	401	268
20/21	407	195
21/22	469	225
22/23 - projected	470	230
23/24 - forecast	470	230
24/25 - forecast	470	230
25/26 - forecast	470	230
longer term stock projections based on RTBs relative to stock of:		0.83%

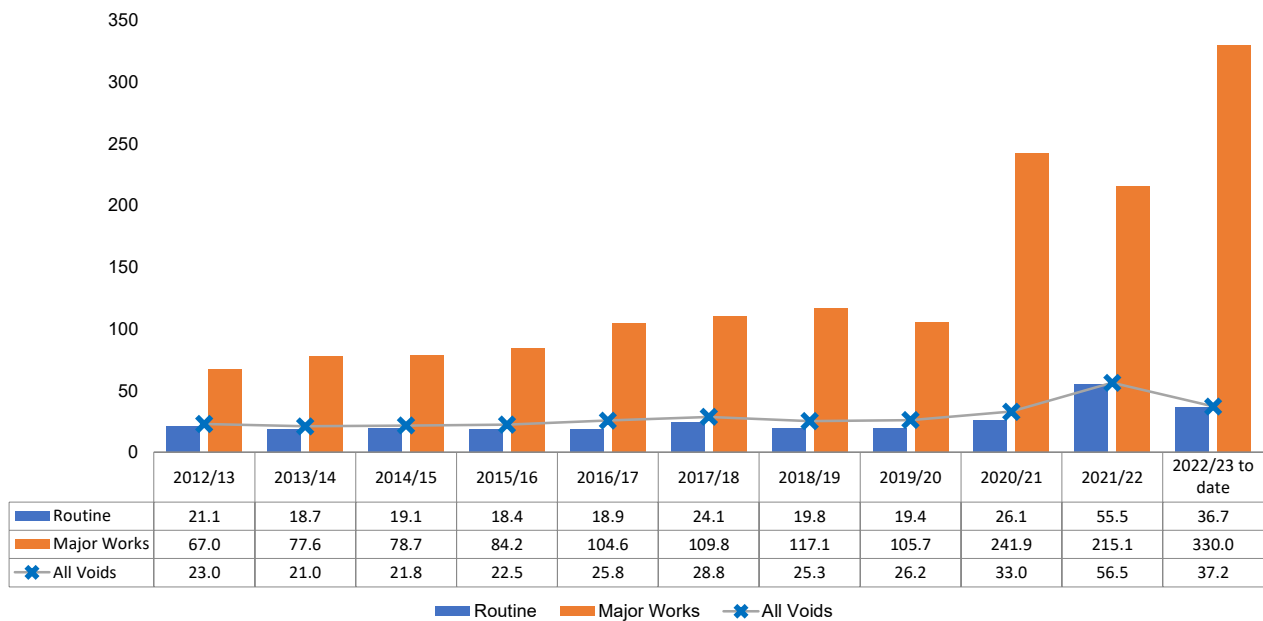
(c) Property Voids

Total Voids



(d) Average void repair times

Average Void Repair Times (days)



**Rent & rent arrears**

**Appendix 1, section 8**

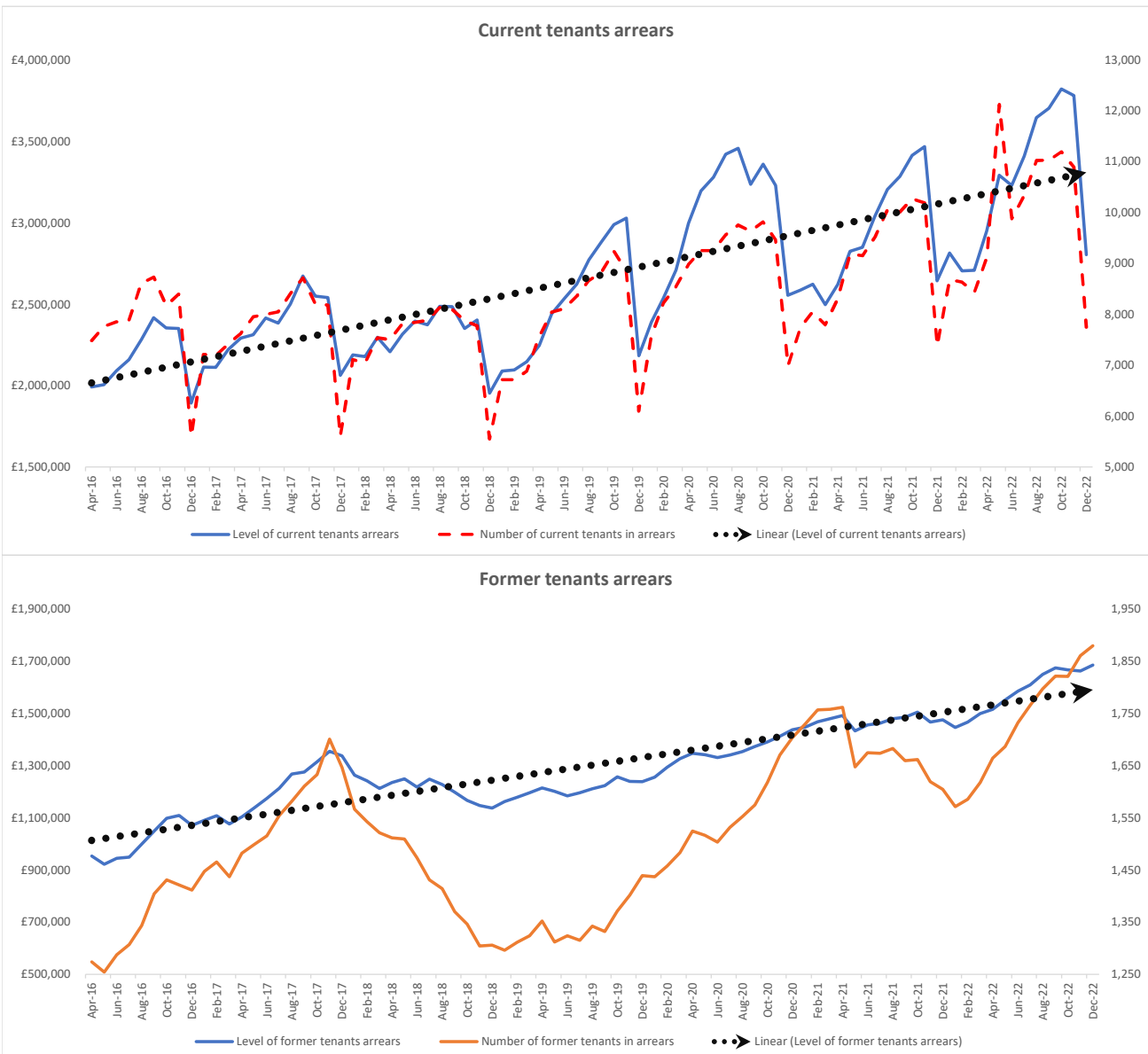
**(a) Rent per week**

	<u>2022/2023</u>	<u>2023/2024</u>	<u>change</u>	
average rent per week	£77.73	£83.34	£5.61	7.2% 52 week basis
	£80.84	£86.67	£5.83	7.2% 50 week basis

**(b) Change in budgeted rents**

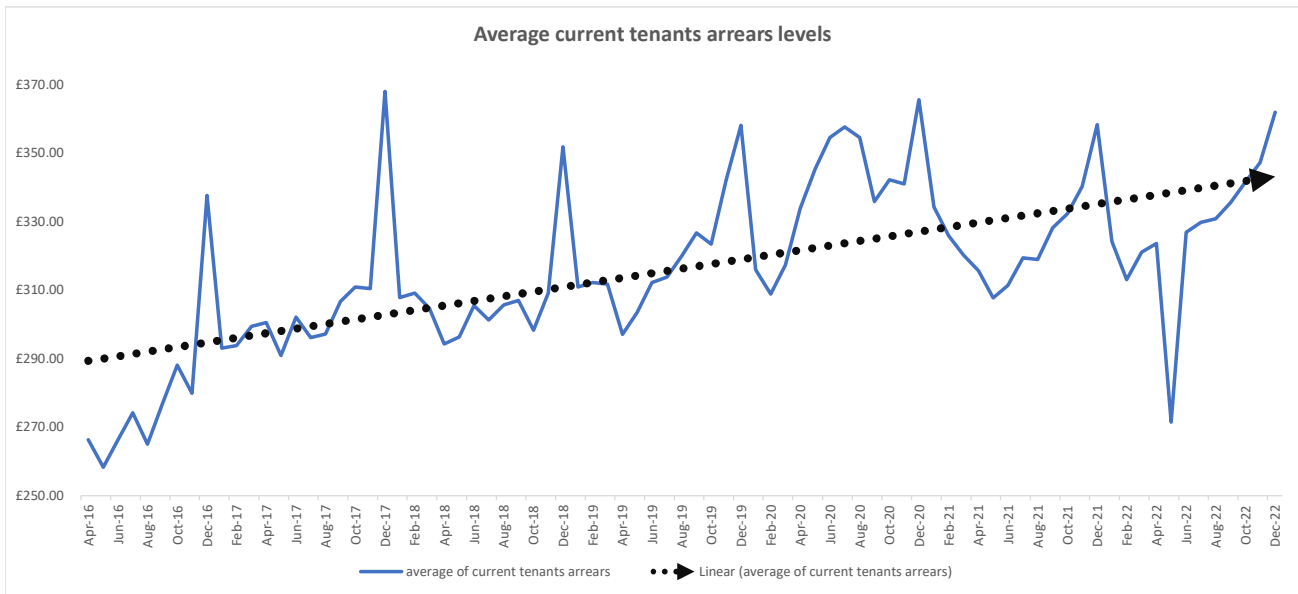
		<u>£'000</u>	
budgeted rent 22/23		92,501	
additional rent on new properties / change in property mix	199		0.2% ← reflects properties relet at Formula Rent and new properties
change in rent levels	6,475	6,674	7.0% at Affordable Rent. 7.2%
change in property numbers	(921)		-1.0%
change in void levels	119	(802)	0.1%
Additional days rent because of 2024 being a leap year		271	0.3%
		<u>98,645</u>	<u>6.6%</u>

**(c) Rent Arrears - trends**



Rent & rent arrears

Appendix 1, section 8



(d) Rent accounts in arrears by benefit status

data at 06 February 23

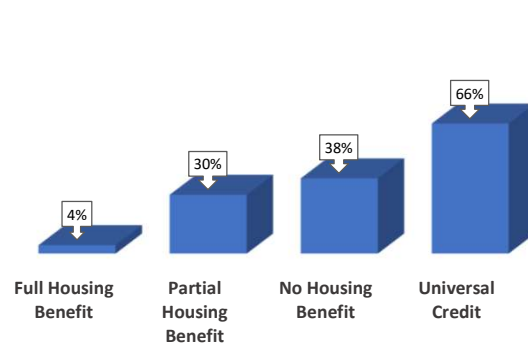
Arrears cases by benefit status	%age in arrears	avg value of arrears (those in debt)	avg value of arrears (all tenants)	Proportion of tenants	Proportion of debt
Full Housing Benefit	4%	£131.42	£5.57	23%	1%
Partial Housing Benefit	30%	£152.71	£45.29	13%	4%
No Housing Benefit	38%	£310.02	£117.70	23%	20%
Universal Credit	66%	£381.22	£250.11	42%	75%

Arrears cases by benefit status	now	last year	change
Full Housing Benefit	23%	28%	-5%
Partial Housing Benefit	13%	16%	-3%
No Housing Benefit	23%	27%	-4%
Universal Credit	42%	29%	13%

Average arrears by benefit status

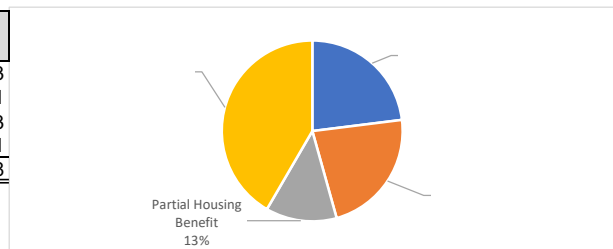


%age Rent Accounts in Arrears by Benefit Status



No Housing Benefit  
Full Housing Benefit  
Partial Housing Benefit  
Universal Credit

	5,223
	5,123
	2,883
	9,441
	<u>22,668</u>

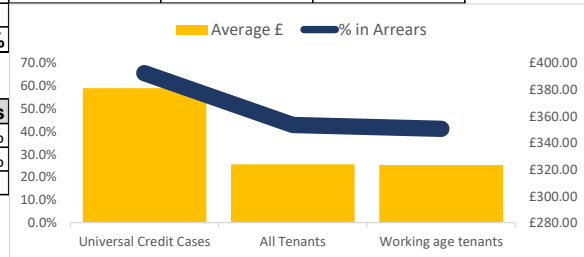


Rent & rent arrears

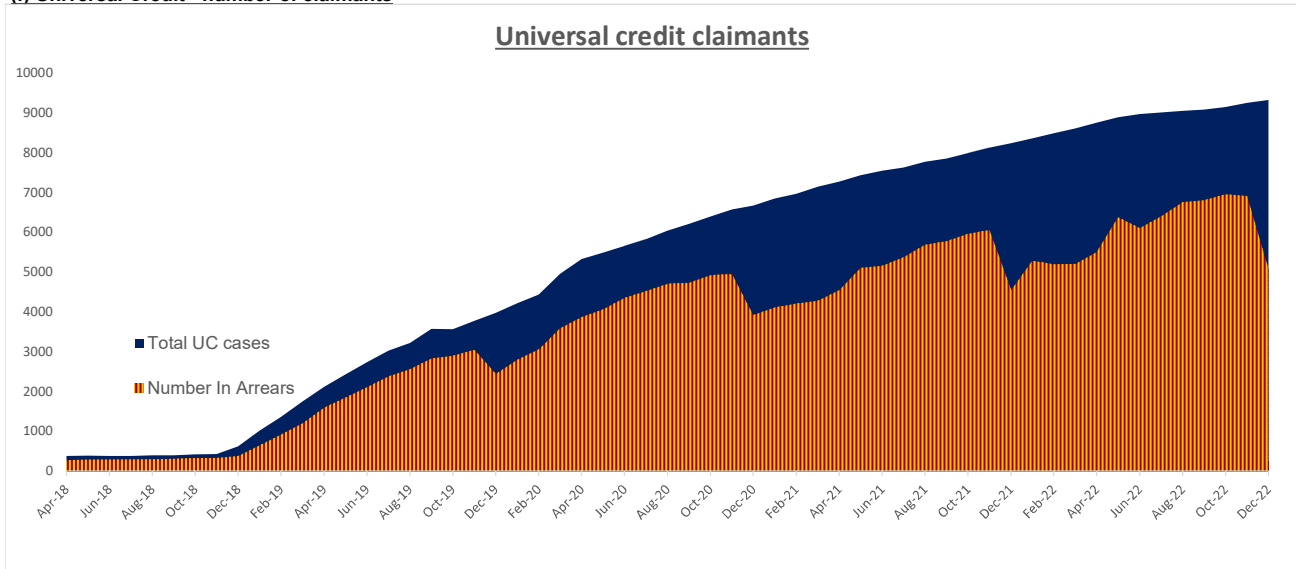
(e) Universal Credit - impact to date

	Universal Credit Cases	All Tenants	Working age tenants	FTA UC cases
Total	9,441	22,686	22,686	2,950
No. in Arrears	6,203	9,713	9,341	1,091
% in Arrears	65.7%	42.8%	41.2%	37.0%
Average £	£381.35	£323.88	£323.36	£853.67
Alternative Payment Arrangements (APAs) in place	3,627			
% of cases on APA	38.4%			

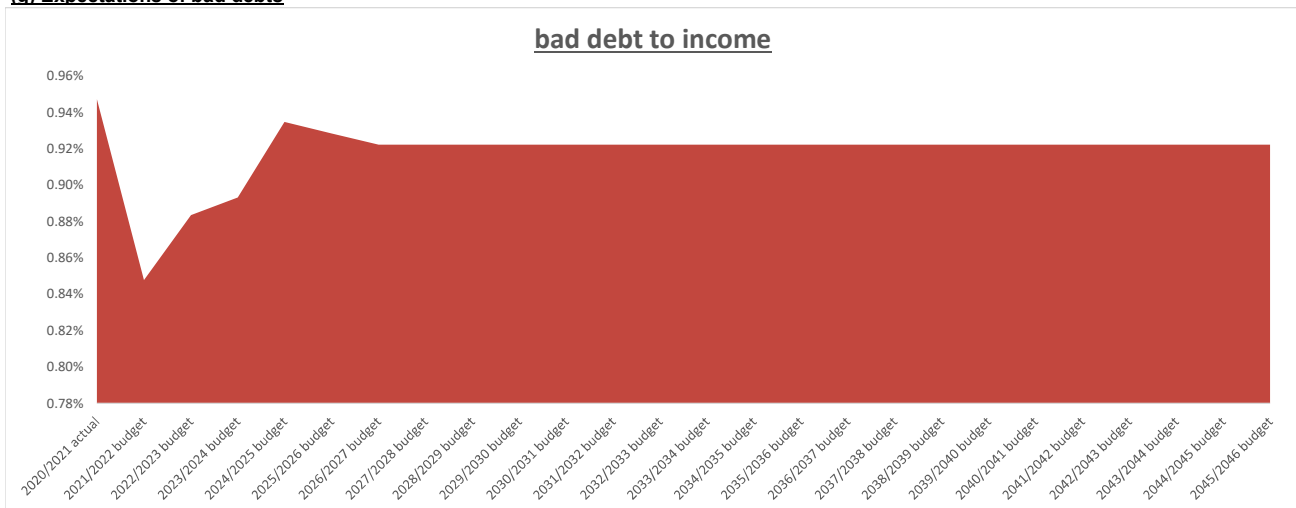
	Evictions
UC Cases	0.02%
Total tenants	0.05%
UC claimants thus more likely to be evicted by a factor of 0.5:1	



(f) Universal Credit - number of claimants



(g) Expectations of bad debts



Service Charges

Appendix 1, section 9

	<u>Current</u> <u>Budget</u> <u>2022/23</u> <u>£.p</u>	<u>Proposed</u> <u>Budget</u> <u>2023/24</u> <u>£.p</u>	<u>change</u> <u>Notes</u>  <u>£.p</u>
<u>Service</u>			
CCTV	£1.12	£1.20	£0.08
Controlled Entry	£2.68	£2.87	£0.19
<u>Garages</u>			
Block Garages	£8.40	£9.40	£1.00
Private Garages	£10.08	£11.28	£1.20 inc VAT
NB: legally VAT is chargeable on all garages, except for tenants where up to 2 garages are let in conjunction with the property (VAT notice 742, s4.2).			
<u>Sheltered</u>			
Sheltered - Category 1	£7.38	£8.15	£0.77
Sheltered - Category 1.5	£8.42	£9.30	£0.88
Sheltered - Category 2 / vertical	£26.71	£29.40	£2.69
PCT recharge (Thornton Court)	£16.60	£16.60	£0.00
Increases have been restricted to 10% this year. There have been significant increases in underlying costs emanating from gas and electricity price rises. This results in an annual subsidy of £570k			
<u>Lifeline</u>			
Fixed lifeline	£4.10	£4.50	£0.40
Tenants lifeline	£4.10	£4.50	£0.40
Private lifeline	£4.92	£5.40	£0.48 inc VAT
PCT recharge (Thornton Court)	£4.30	£4.80	£0.50
<u>Others</u>			
Heating Charge - all other bedsits	£17.10	£24.00	£6.90
Bungalow Heating Charge	£23.80	£33.40	£9.60
Heating Charge - all other flats	£20.00	£28.00	£8.00
Charles Brady	£8.20	£11.50	£3.30
Standard Service Charge	£7.30	£10.30	£3.00
Water Meter	£5.30	£5.90	£0.60
Flat Heating Charge	£0.00	£10.42	£10.42
Intention is to install meters in these properties during 2023/24 which will mean users pay directly for heating and charges will need to be amended during the year to reflect this change.			
<u>LD Schemes</u>			
Ashby	£23.00	£25.30	£2.30
Hermes	£19.00	£20.90	£1.90
Ashby / Hermes Heating Charge	£9.50	£29.17	£19.67
Ashby / Hermes Service Charge	£3.50	£3.50	£0.00
<u>Flats - Caretaking</u>			
High Rise Flats A	£9.35	£9.35	£0.00
High Rise Flats B	£6.40	£6.85	£0.45
Traditional 2 Storey Corner 6 Block	£2.50	£2.70	£0.20
Traditional 3 Storey post war 6 Block	£2.50	£2.70	£0.20
Traditional 3 Storey pre war	£3.35	£3.60	£0.25
Pashby House	£7.25	£7.80	£0.55
Australia Houses	£8.60	£8.60	£0.00
Block Maisonettes	£7.85	£8.35	£0.50
6-9 Storey Flats	£8.60	£8.60	£0.00
Sheltered high rise flats	£6.40	£6.85	£0.45
Salinger House - Internal Areas	£3.40	£3.65	£0.25
Dane View	£3.80	£3.85	£0.05
2 Storey Blocks - Various sizes	£2.00	£2.15	£0.15
Increases have been restricted to 7% this year. This results in an annual subsidy of £116k			
<u>Flats - Communal cleaning</u>			
High Rise Flats	£5.10	£5.45	£0.35
2 Storey Non Trad Corner 4 Blocks	£1.40	£1.50	£0.10
Traditional 2 Storey Corner 6 Block	£1.25	£1.30	£0.05
Traditional 3 Storey post war 6 Block	£1.10	£1.20	£0.10
Traditional 3 Storey pre war	£1.35	£1.45	£0.10
Traditional 3 Storey Corner 6 block	£0.90	£1.00	£0.10
Non Trad Maisonettes Over Estate Shops	£0.90	£0.90	£0.00
Pashby House	£1.10	£1.20	£0.10
Australia Houses	£6.95	£6.95	£0.00
Block Maisonettes	£1.40	£1.50	£0.10
6-9 Storey Flats	£4.05	£4.05	£0.00
Acquired flats	£1.40	£1.50	£0.10
Salinger House - Internal Areas	£1.55	£1.55	£0.00
Dane View	£0.55	£0.55	£0.00
Increases have been restricted to 7% this year. This results in an annual subsidy of £18k			



Service Charges

Appendix 1, section 9

	<u>Current Budget</u> <u>2022/23</u>	<u>Proposed Budget</u> <u>2023/24</u>	<u>change</u>	<u>Notes</u>
	<u>£.p</u>	<u>£.p</u>	<u>£.p</u>	
<u>Flats - Communal electric</u>				
High Rise Flats	£4.50	£4.95	£0.45	
2 Storey 4 Blocks (Communal Entrance to 1st Floor only)	£0.70	£0.80	£0.10	
2 Storey Non Trad Corner 4 Blocks	£0.70	£0.80	£0.10	
Traditional 2 Storey Corner 6 Block	£1.25	£1.40	£0.15	
Traditional 3 Storey post war 6 Block	£2.45	£2.60	£0.15	
Traditional 3 Storey pre war	£1.40	£1.55	£0.15	
Traditional 3 Storey Corner 6 block	£1.05	£1.20	£0.15	
Trad Maisonettes Over Estate Shops	£1.05	£1.20	£0.15	Whilst there is a significant increase in the underlying cost of electricity, which makes up the majority of this charge, increases have been restricted to 10%. This results in a subsidy from the HRA of £595k per annum
Non Trad Maisonettes Over Estate Shops	£1.20	£1.35	£0.15	
Pashby House	£1.00	£1.10	£0.10	
Australia Houses	£2.25	£2.50	£0.25	
Block Maisonettes	£2.70	£3.00	£0.30	
6-9 Storey Flats	£3.55	£3.95	£0.40	
Ferensway House	£0.00	£0.00	£0.00	
Acquired flats	£1.40	£1.55	£0.15	
Salinge House - Internal Areas	£1.35	£1.50	£0.15	
Dane View	£1.20	£1.35	£0.15	
<u>Shared Tenancies</u>				
<u>Communal Area package</u>				
High Rise & 6-9 Stories	£12.99	£19.49	£6.50	Covers caretaking, CCTV, communal cleaning and electricity and cotrolled access
All others	£2.78	£4.16	£1.39	
<u>Standard package</u>				
2 Bedroom	£25.83	£26.51	£0.67	Covers Council Tax, furniture and benefitable element of electricity charge
3 Bedroom	£19.22	£19.67	£0.45	
<u>Utility Package</u>				
High Rise	£12.37	£16.78	£4.41	Covers water, gas and non benefitable element of electricity bills
2 Bedroom	£21.82	£28.35	£6.53	
3 Bedroom	£15.94	£20.56	£4.63	
<u>Housing First</u>				
Housing First Utility Package	£0.00	£0.00	£0.00	Housing First Tenants pay for own utilities from 22/23
Housing First	£15.50	£15.50	£0.00	
<u>District Heating Schemes</u>				
	<u>from 1/1/23</u>			per kWh includes 5% VAT
Bathurst St	£0.1250	£0.1999	£0.0749	
Rosset House	£0.1250	£0.1999	£0.0749	prices set as lower of household energy guarantee (after taking into account standing charges) and HCC cost of supplying gas
New Michael Street / Melville Street	£0.1250	£0.1999	£0.0749	
Torpoint, Millport & Woolwich	£0.1250	£0.1999	£0.0749	
Valiant Drive blocks	£0.1250	£0.1999	£0.0749	
Coniston & Kendall Houses	£0.1250	£0.1999	£0.0749	
Meter charge	£2.30	£3.40	£1.10	
<u>Laundry - all schemes</u>				
wash tokens	£2.00	£2.00	£0.00	
dryer tokens	£1.00	£1.00	£0.00	
<u>Travellers sites (these are GF charges but processed in Housing)</u>				
Electric Charge - Cards (Prices Per KWH)	£0.2450	£0.3739	£0.1289	
Single pitch	£65.20	£75.40	£10.20	
Double pitch	£97.70	£112.90	£15.20	