

TITLE OF REPORT: Housing Revenue Account (HRA) Budget and Housing Capital Programme

REPORT OF: Darren Collins, Strategic Director, Resources and Digital
Colin Huntington, Strategic Director, Housing Environment and Health Communities

Purpose of the Report

1. Cabinet is asked to recommend to Council;
 - The proposed Housing Revenue Account (HRA) budget for 2024/25.
 - the proposed rent changes from 1 April 2024, in line with the Government's policy on rent setting.
 - the detailed proposals for the 2024/25 HRA fees and charges.
 - the proposed Housing Capital Programme for 2024/25 and the indicative programme for the period 2025/26 – 2028/29.

Background

2. On 20 July 2023 Council approved the Housing Revenue Account (HRA) 30-year Business Plan. Overall, the HRA Business Plan as presented was fully costed and did not breach the minimum £3 million balance during the life of the plan (30 years).
3. The Local Government and Housing Act 1989 (Part VI) states that the Council has a duty to prevent a debit balance on the Housing Revenue Account.
4. Historically the Council has followed Government formula and guidelines to set the rent level for social and affordable properties. In addition, Gateshead has followed best practice in relation to setting clear and transparent service charges.
5. Government policy on rents for social housing applies to all registered providers i.e. to both local authority registered providers and private registered providers. The rent standard enables rents to be increased by up to the Consumer Price Index (CPI) for September plus an additional 1%.
6. The Rent Standard also requests registered providers to endeavour to limit service charge increases to within the same formula but allows flexibility to cover the recovery of the service cost.
7. A review of Gateshead's fees and charges is carried out each year to ensure the HRA recovers only the full costs associated with providing services to tenants, this

includes passing on any savings made to tenants through cost cutting efficiencies implemented by the council.

8. Where an inflationary increase is appropriate the September 2023 CPI rate of 6.7% has been applied. Those charges which relate to General Fund Services, such as Care Call, are subject of the Fees and Charges report (agenda item 8).
9. The Housing Capital Programme is a five-year rolling programme reviewed annually. The programme is supported from resources available within the HRA and therefore considering the HRA and the Housing Capital Programme together allows the Council to consider the choices necessary to maintain and enhance housing stock in the future. The financial implications of the programme are incorporated into the HRA Business Plan. The Housing Capital Programme is also incorporated into the Council's overall Capital Programme (agenda item 5).
10. Recognising the importance of new affordable housing supply in Gateshead, and the challenges facing the HRA in making a significant contribution to this supply the Housing Capital Programme includes the delivery of 365 units over the next 8 years.

Proposal

11. The proposed Housing Revenue Account budget 2024/25 will deliver a surplus budget of £0.316m. This is set out in Appendix 2 together with indicative budgets for the subsequent four-year period 2025/26 – 2028/29.
12. An increase in rents of 7.7% in line with the rent standard. A summary of average rents is provided at Appendix 3.
13. As social rent properties become vacant they continue to be re-let at the formula rent for that property.
14. A summary of the recommended changes to the service charges for the HRA 2024/25 is presented in Appendix 4.
15. During 2023/24 a fundamental review of service charges has been undertaken but as this has not been fully concluded further reports will be brought forward with any recommendations being implemented from 2025/26.
16. The proposed Housing Capital Programme over the next five years 2024/25 to 2028/29, Appendix 5 provides for investment of £202.637m. In 2024/25 the proposed Capital Programme totals £26.837m of which £19.114m will be met from the HRA. The Programme will be kept under regular review by Cabinet to ensure that investment plans remain affordable.

Recommendations

17. Cabinet is asked to recommend to Council:
 - (i) The Housing Revenue Account as set out in Appendix 2.
 - (ii) The 7.7% rent increase from 1 April 2024 as detailed at Appendix 3.
 - (iii) The HRA service charges as detailed in Appendix 4.

- (iv) The Housing Capital Programme for the five years 2024/25 to 2028/29 as set out in Appendix 5.

For the following reasons:

- (i) To set a Housing Revenue Account for 2024/25 that is not in debit as required under the Local Government and Housing Act 1989 (Part VI).
- (ii) To realise the Council's policies and objectives in relation to the Housing Strategy to maintain and enhance Council Housing provision in Gateshead.
- (ii) To assist in the delivery of the Council's vision for Gateshead as set out in Making Gateshead a Place where Everyone Thrives.

CONTACT:

Kristina Robson
Kevin Scarlett

Ext 3943
Ext 5303

Policy Context

1. The proposals support the overall vision for Gateshead as set out in Making Gateshead a Place Where Everyone Thrives including achieving the following outcomes: providing good quality housing with a mix of tenures and affordable options that meet the needs of local people including families and older people enabling them to live healthy lives and to make healthy choices, preventing ill health.
2. The Housing Strategy 2019-2030 identifies clear housing objectives and priorities, puts forward a vision for housing in Gateshead, and sets a framework for how the Council will deliver services and interventions, and work in partnership with others, in a way that will help achieve those objectives using increasingly scarce resources proportionately and effectively. It includes three overarching strategic objectives:
 - Sustainable housing and economic growth
 - Sustainable neighbourhoods
 - Improved health & wellbeing
3. In addition to these overarching objectives one of the key themes embedded in the strategy is supporting the long-term sustainability of the Council's housing stock and the Housing Revenue Account (HRA).

Background

4. On 20 July 2023 Council agreed the Housing Revenue Account (HRA) 30-year Business Plan. Overall, the HRA Business Plan is fully costed and does not breach the minimum £3 million balance during the life of the plan (30 years). However, over the long term, to incorporate all the cost pressures and anticipated capital investment, including new social housing stock, borrowing will need rise significantly above the current levels.
5. The rules governing the HRA were established pursuant to the Local Government and Housing Act 1989 and require the Council to:
 - a. Formulate proposals in respect of HRA income and expenditure for the financial year which, on the best assumptions and estimates that the Council can make at the time, ensure the HRA does not show a debit balance.
 - b. Determine a strategy that is designed to ensure the HRA is in balance taking one year with another.
 - c. Ensure, that as a ring-fenced account, the costs of managing and maintaining its homes, including debt charges and administration costs, are met from HRA income.
6. Historically the Council has followed Government formula and guidelines to set the rent level for social and affordable properties. In addition, Gateshead has followed best practice in relation to setting clear and transparent service charges.

7. Government policy on rents for social housing applies to all registered providers i.e. to both local authority registered providers and private registered providers. The rent standard enables rents to be increased by up to Consumer Price Index (CPI) for September plus an additional 1%.
8. In the November Autumn Statement central government confirmed the potential for registered providers (local authorities and housing associations) to set rents for 2024/25 at CPI+1% using the September CPI rate. This would result in a maximum rent increase of 7.7%.
9. The Rent Standard also requests registered providers to endeavour to limit service charge increases to within the same formula but allows flexibility to cover the recovery of the service cost.
10. The Rent Standard for social rent housing states:
 - 11.1 Registered providers may set the initial rent on properties to be let at social rent at a level that is no higher than formula rent, subject to the rent flexibility level.
 - 11.2 “Rent flexibility level” means either 105% of formula rent or if the accommodation is supported housing 110% of formula rent.
 - 11.3 The weekly rent of an existing tenant may not be increased by more than either (a) CPI (as at September in the previous year) + 1% in any year or (b) if the tenant’s rent exceeds the rent flexibility level, CPI in any year.
 - 11.4 Registered providers must not allow rents to rise above the rent cap level for the size of property concerned. Rent caps will be increased annually by CPI + 1.5%.
11. Affordable rent housing follows the same principles as above with additional guidance covering:
 - 12.1 The maximum gross rent for a tenant under a new tenancy is 80% of the market rent for the tenant’s accommodation.
 - 12.2 If the formula rent is higher than 80% of the weekly market rent for the tenant’s accommodation, the maximum weekly rent (exclusive of service charges) is formula rent.
 - 12.3 Affordable rent includes all relevant service charges.

HRA Business Plan

12. The HRA Business Plan sets the Council’s long-term investment strategy to maintain the quality of its housing stock. The plan is reviewed, at least, annually and uses current levels of income and expenditure information and projects this for the next 30 years applying several key assumptions in relation to the anticipated stock changes arising from right to buy sales, acquisitions and new build and

regeneration plans, the number of void properties, the policy on rent and service charge increases, repairs and maintenance and property management costs, capital investment requirements based on stock condition information and forecast borrowing costs.

13. A significant number of challenges have been placed on the HRA Business Plan because of:
- Legislative change such as the impact of the Housing and Planning, and Welfare Reform Acts.
 - The imposition of a social rent cut of 1% per year, for 4 successive years commencing April 2016.
 - Increased buildings compliance and regulatory requirements, particularly post-Grenfell and including new targets for carbon neutrality.
 - Increased Right to Buy sales resulting from the increased discounts
 - The impact of Brexit / Covid on inflation in general and particularly in the cost of construction / repairs in terms of materials and labour.
 - Ukraine situation and global gas/electricity prices.
 - Changes to regulatory standards.
 - Increasing numbers of repairs required to maintain an ageing stock.
14. In addition, there is a need to:
- a. Address uneconomic and poor performing housing stock in Gateshead. Stock condition and demand information confirms that the required expenditure on some schemes over the short and longer term significantly exceeds any income from those schemes due to poor or no demand, coupled with the need for high value investment works. There is an outstanding need to appraise all available options for these schemes over the coming months.
 - b. Identify operational efficiencies and more effective ways of working to ensure they are providing value for money and maximising HRA performance, particularly in relation to voids, income collection and day to day maintenance.
 - c. Continue to invest in the existing stock and bring forward new affordable housing.

Projected Outturn 2023/24

15. The current projected 2023/24 HRA overspend of £5.1m will be incorporated into the HRA budget to reflect the estimated reserve balance at 31 March 2024. The overspend is being driven by several factors:
- continued inflationary pressures.
 - a significant increase in repair volumes, particularly damp and mould related repair requests.
 - an increase in disrepair claims
 - a change in repairs processes that supports a 'right first time' culture.
 - high contractor costs and dependency.

- Void rent loss.
- an ageing housing stock.

Budget Proposal 2024/25

16. The budget proposal for 2024/25 has been prepared considering known changes to housing stock numbers, ongoing management and maintenance requirements, proposed investment needs and assumptions around pay and inflationary increases.
17. The budget proposal takes account of the continuing detrimental impact of Welfare reform on rent collection and tenancy sustainability. As at 15 January 2024, 6,999 (40%) of council tenants were in receipt of UC payments, this will continue to increase as new claims or change of circumstances are submitted. Rent collection rates for UC claimants is 97.76% compared to 99.84% for other tenants.
18. To help people sustain their tenancies the Rent and Income Service take proactive steps to engage with residents to help them manage their rental payments, they will put in place sustainable payment arrangements and identify any barriers to tenancy sustainment, then making appropriate referrals for further specialised support. This consists of advice and support to maximise income including offering help with benefit claims and grant applications and debt advice to help people manage their debts.
19. The Housing Improvement Programme identifies priority areas for review. The scope of the programme is wide ranging and will focus on delivering services differently to manage demand and to ensure the Council's housing functions and responsibilities are 'fit for purpose', fully compliant with legislation and regulation, are offering better value for money and can achieve improved customer satisfaction.
20. Void loss and tenancy turnover remain a challenge and the resultant loss of income for the HRA. A major review of the end-to-end voids process is underway together with a review of the associated lettings and allocations systems and practices. The outcome of this work will be to identify the necessary measures to reduce void loss, reduce the high levels of void work costs, and remove the dependence on costly external contractors. Additional investment is included in the proposed budget 2024/25 to enable voids to be reduced to a manageable level and embed the outcomes of the review.
21. The proposed budget also includes additional investment in the repairs service to meet increasing demand and support the new processes including 'getting it right first time' for tenants, making sure repairs are completed during a single visit to the home regardless of whether a repair had been reported previously or not. There is also specific investment to meet the increased demand in damp and mould repair requests.

22. A contingency has been included within the HRA Business Plan for the next and subsequent 4 financial years to cover any future liabilities and unforeseen pay and price increases.
23. The proposed HRA budget 2024/25 as detailed in Appendix 2 will deliver a surplus budget of £0.316m.

Proposed Rent Changes

24. The maximum rent increase allowable is 7.7%. Applying that to Gateshead's HRA stock gives average rent values of:

50 Weeks Rent	Affordable Rent	Social Rent
Average Rent 2024/25	£137.52	£97.33
Average Rent 2023/24	£127.69	£90.37
Movement	£9.83	£6.96
% Increase	7.70%	7.70%
Average Rent 2024/25 51 Weeks	£137.41	£97.26

¹ The 2023/24 average rent may be different to that outlined in the rent and service charges report in February 2023 due to changes in stock from Right to Buy sales, decommissioning of units and build and purchase of new units.

25. In 2024/25 there are 53 Mondays and therefore an additional rent week. In Gateshead this equates to 51 weeks due to the two rent free weeks. Due to this the actual rent follows a slightly different calculation and therefore the comparative rent values demonstrating the 7.7% increase is shown together with the average proposed rent using the revised calculation which shows a slight difference overall.
26. Not applying the maximum rent increase of 7.7% is an option but this would have a significant impact on viability of the HRA as any increase below this level would reduce the base rent figure upon which all future rent increases would be calculated. For example, a 1% change would reduce an indicative rent revenue in 2024/25 alone by an estimated £0.820m.
27. 72% of council tenants are in receipt of either housing benefit or universal credit welfare support.
28. A summary of the average social rent charges is shown in appendix 3. A similar breakdown is not provided for affordable rent properties as this applies to 85 properties only varying from flats acquired above shops to new build assisted living schemes.
29. As agreed as part of the 2023/24 budget report properties becoming vacant will be re-let at the formula rent which is the true rent for a property following a specifically defined formula and utilising the property value at 1999 the resulting calculation is then uplifted as per the limit rent guidance to give a current formula rent.
30. There are 1,449 properties now let at formula rent and the average variance between formula rent and the proposed rent for current tenants is £5.35.

Service Charges

31. There are both mandatory and discretionary service charges in the HRA. Mandatory charges include energy costs and services, sheltered scheme officers, caretaking, cleaning and concierge. Discretionary include leased furniture packages, gardening and garages. Out of the 18,193 live dwellings 5,061 tenants are liable for mandatory service charges (27.8%) and 3,133 tenants take up discretionary services (17.2%). The Council raises £5.3m from charges to tenants of which £1.2m relates to general fund services and are included in the wider Council Revenue Budget.
32. Some charges for services are eligible for benefit; these are primarily services associated with buildings and cover charges such as cleaning, concierge, caretaking and part of the Sheltered Scheme Wardens.
33. Guidance from Central Government is that fees and charges should cost recover in full where applicable. This is to protect other tenants from essentially contributing to costs that they are not responsible for. Where possible the proposed increases recover the full cost of services.
34. The council must produce a transparent process to ensure that actual revenue-only costs are identifiable and reasonable. It is assumed that all properties are charged equally, no allowance can be made for any void properties held unless they are already declared surplus and earmarked for demolition. Where applicable any savings from efficiencies or changes to working practices are passed onto the service users.
35. A full listing of all fees and charges for 2024/25 is presented at Appendix 4. As part of the process of setting the proposed service charges an Integrated Impact Assessment is undertaken on the levels of rent and service charge increases (Appendix 6).
36. As with rent, service charges are also chargeable over 53 weeks and collected over 51 weeks in Gateshead due two rent free weeks and therefore charges are shown as there 50 week equivalent for comparative purposes together with the revised actual proposed charge.
37. The charges for furnishings and laundry and maintenance of communal areas within Angel Court and maintenance of the fire safety system in Regent Court are proposed to be reduced to reflect actual charges/projected costs of providing the services.
38. There is no proposed change to repairs and maintenance charges for communal areas, concessionary TV licence, the admin charge for the furniture scheme, garages and communal TV licence.
39. Inflationary increases of CPI of 6.7% are proposed to be applied to the Gardening Scheme, outside use of communal lounges, use of guest rooms at sheltered accommodation, mortgage and rent references.
40. Charges for the Winlaton Assisted Living Scheme and the new development at Whitley Court are included as part of the affordable rent for the scheme and are therefore subject to a 7.7% increase in line with the affordable rent formula.

41. Charges related to electricity, gas and heat are reflective of the current and anticipated cost reduction which should be experienced by all tenants not just those who are charged via a service charge. The charge in 2023/24 was increased significantly as this took account of the increased costs in the industry during 2022/23 and continuing into 2023/24.
42. All other charges are proposed to increase in line with actual/projected cost of providing the service which for some charges will result in an increase above inflation.
43. Charges for care call are Council General Fund services and as such the level of charges are considered in the fees and charges report at agenda item 8 on the agenda.

Housing Capital Programme 2024/25 – 2028/29

44. Capital investment in the HRA is funded from the Major Repairs Reserve through a combination of the depreciation charged each year to the HRA and using additional voluntary HRA revenue contributions where possible to maximise the level of planned investment in the stock.
45. There are significant capital investment requirements over at least the next 5 years if the Council is to achieve its requirements and ambitions in the key areas of maintaining regulatory and buildings compliance such as decent homes and in maintaining the safety of high rise blocks; in achieving carbon reduction targets; securing catch-up investment in wider HRA assets and responsibilities such as environmental and 'street scene' requirements, garages, open spaces and communal areas; and in continuing to maintain / or increase social housing stock provision in Gateshead. Investment is also identified to digitally transform how blocks are managed, by improving security and supporting the review of high rise living.
46. The proposed Housing Capital Programme for the period from 2024/25 to 2028/29 is set out in Appendix 5. It is estimated that £115.178m of the £202.637m funding requirement will be met from within the Major Repairs Reserve and Revenue Contributions to Capital to support capital investment within the HRA over the next five years which will be supplemented using external funding and HRA capital receipts.
47. The capital programme is aligned to the HRA Asset Management Strategy and includes the following investment over the next 5 years:
 - £70.1m investment in undertaking estate based major works in accordance with the Decent Homes standard, including the replacement of kitchens, bathrooms and electrical improvements, a £13m heating improvements programme (including the installation of some new Green-Energy systems) and £2.8m to continue the window & door replacement programme. £3m to for the delivery of a scheme supported by the Social Housing Decarbonisation Fund.
 - £20.1m investment in general stock improvements, including essential works to upgrade communal services and communal areas, CCTV and door entry systems upgrades as well as the continuing provision of major and minor adaptation works to homes.
 - £4m investment in garages, outhouses and wider estate improvements.

- £3.9m investment in building safety improvements to ensure continued compliance with legislation.
 - £85.5m investment in new housing, estate regeneration and delivery of the stock options appraisals.
 - £0.1m for renewable energy and Net Zero technology pilot work with tenants
 - £0.2m for IT hardware and software replacements.
48. The Capital Programme will continue to be reviewed regularly to reflect the progress on committed projects and the availability of resources within the HRA to support capital investment.
49. Recognising the importance of new affordable housing supply in Gateshead, and the challenges facing the HRA in making a significant contribution to this supply, the Housing Development Strategy confirms priority actions to be undertaken over the next five years to maximise housing supply on existing and new sites. This strategy also aligns with the Council's medium-term position and investment plan. This proposed programme includes a planned HRA funded new build programme over a rolling 3-year period, to be reviewed annually as part of the annual refresh of the HRA Business Plan.

Consultation

50. Consultation has taken place with the Leader and Deputy Leader and Cabinet Members for Housing and with The Strategic Housing Board.

Alternative Options

51. There are no alternative options proposed.

Implications of Recommended Option

52. Resources

- a. **Financial Implications** – The Strategic Director, Resources and Digital confirms that the financial implications are reflected in Appendices 1, 2, 3, 4 and 5.

The proposed 2024/25 HRA budget (Appendix 2) will deliver a £0.316m surplus budget. As at 31 March 2024 the HRA reserve is projected to be £13.519m. The 30-year HRA Business plan is sustainable with a minimum balance of £3m of reserves maintained per annum.

The Housing Improvement Plan will drive forward savings and efficiencies to deliver the required HRA medium term savings identified in the HRA Business Plan and contribute to the delivery of the Council's budget approach.

- b. **Human Resources Implications** – Nil.
- c. **Property Implications** – Capital investment in HRA assets helps to improve the overall sustainability of the HRA and supports the delivery of corporate

priorities under the Thrive agenda. The property implications of individual schemes will be considered and reported separately.

53. **Risk Management Implications** – The added risks arising from self-financing and welfare reform mean that the Council must continue to manage and maintain its housing stock from the rents collected. The 30-year HRA business plan is sustainable, based on current assumptions, but this will continue to be monitored to ensure that decisions are made, where appropriate, to enable the housing stock to be maintained in the future.
53. **Equality and Diversity Implications** – An integrated impact assessment has been carried out to identify potential implications and impacts related to protected characteristics identified in the Equality Act 2010.
54. **Crime and Disorder Implications** – Nil
55. **Health Implications** – Nil
56. **Sustainability and Climate Emergency Implications** – The report contains a number of measures, which will help deliver a more Sustainable Gateshead and support the HRA Asset Strategy which includes carbon neutrality targets for the Council's housing stock.
57. **Human Rights Implications** – Nil
58. **Ward Implications** – All wards will be affected by the proposals in this report.

Background Information

Local Government and Housing Act 1989

Rent Standard April 2020

Policy Statement on rents for social housing

The Housing Revenue Account Self Financing Determinations February 2012

Welfare Reform Act 2016

HRA Budget 2024/25 to 2028/29

	Budget 2023/24 £'000	Projected 2023/24 £'000	Variance 2023/24 £'000		Budget 2024/25 £'000	Budget 2025/26 £'000	Budget 2026/27 £'000	Budget 2027/28 £'000	Budget 2028/29 £'000
Dwelling rents (gross)	(80,604)	(79,091)	1,513	Voids/Decommissioned Units	(87,033)	(86,774)	(88,499)	(90,450)	(92,163)
Non-dwelling rents (gross)	(1,297)	(1,248)	49		(1,297)	(1,297)	(1,297)	(1,297)	(1,297)
Charges for services and facilities	(5,279)	(5,125)	154		(5,485)	(5,467)	(5,502)	(5,605)	(5,659)
Water & Other Income	(1,094)	(1,144)	(50)		(1,246)	(1,283)	(1,322)	(1,361)	(1,402)
Total Income	(88,274)	(86,608)	1,666		(95,061)	(94,821)	(96,620)	(98,713)	(100,521)
Supervision and Management	30,011	28,698	(1,313)	Under use of contingency, Insurance offset by income reduction	30,695	30,316	30,783	31,316	32,088
Repairs and Maintenance	26,869	31,589	4,720	Voids and Repairs	31,569	31,144	31,023	30,906	30,831
Interest on borrowing	12,231	12,216	(15)		12,403	12,552	12,973	13,482	14,127
Capital Programme Funding	19,264	19,264	0		19,114	23,669	27,892	22,028	22,475
Increased provision for bad debt	805	805	0		881	871	881	893	910
Debt management expenses	78	78	0		83	85	87	88	90
Total Expenditure	89,258	92,650	3,392		94,745	98,637	103,639	98,713	100,521
Net Operating Cost/(Surplus)	984	6,042	5,058		(316)	3,816	7,019	0	0
HRA Reserves									
Opening Balance	19,561	19,561			13,519	13,835	10,019	3,000	3,000
Net Operating Cost for the year	984	6,042	5,058		(316)	3,816	7,019	0	0
Closing Balance	18,577	13,519	(5,058)		13,835	10,019	3,000	3,000	3,000

Proposed Social Rent 2024/25

Property Type	Number	Average Increase £	Average of 2023-24 Basic Rent 50 weeks £	Average of 2024-25 New Rent 50 weeks £	Average of 2024-25 New Rent 51 weeks £
BUN	3,086	£6.96	£90.38	£97.34	£97.27
0BED	16	£6.18	£80.20	£86.38	£86.31
1BED	1,747	£6.66	£86.48	£93.14	£93.07
2BED	1,257	£7.33	£95.22	£102.56	£102.48
3BED	66	£8.01	£104.09	£112.10	£112.02
FLA	4,291	£6.31	£81.98	£88.29	£88.23
0BED	115	£5.26	£68.37	£73.64	£73.58
1BED	1,721	£5.94	£77.18	£83.12	£83.06
2BED	2,283	£6.58	£85.50	£92.09	£92.02
3BED	170	£7.11	£92.28	£99.38	£99.31
4BED	2	£8.00	£103.92	£111.92	£111.84
HOU	10,351	£7.24	£94.02	£101.26	£101.19
1BED	109	£5.91	£76.77	£82.68	£82.62
2BED	4,643	£6.95	£90.21	£97.16	£97.09
3BED	5,277	£7.48	£97.19	£104.67	£104.59
4BED	316	£7.90	£102.66	£110.56	£110.48
5BED	3	£8.38	£108.80	£117.18	£117.09
8BED	1	£9.72	£126.21	£135.93	£135.83
6BED	1	£9.83	£127.67	£137.50	£137.40
7BED	1	£10.37	£134.74	£145.11	£145.01
MAI	161	£6.90	£89.58	£96.48	£96.41
2BED	63	£6.58	£85.51	£92.10	£92.03
3BED	98	£7.10	£92.20	£99.30	£99.22
SHB	8	£6.51	£84.56	£91.07	£91.00
1BED	4	£6.18	£80.29	£86.47	£86.41
2BED	4	£6.84	£88.83	£95.67	£95.60
SHF	211	£6.36	£82.65	£89.01	£88.95
1BED	141	£6.15	£79.81	£85.96	£85.89
2BED	70	£6.80	£88.37	£95.17	£95.10
Total Average	18,108	£6.96	£90.37	£97.33	£97.26

Proposed Service Charges 2024/25

Ref	SERVICE S	CURRENT CHARGE 50 WEEKS 2023/24	PROPOSED CHARGE 50 WEEKS 2024/25	Movement	Movement	PROPOSED CHARGE 51 WEEKS 2024/25
		£ per Week	£ per Week	£ per Week	%	£ per Week
	WARWICK COURT MULTI STOREY					
	Gas Heating					
1	Bed-sit	7.26	4.03	-3.23	-44.5%	3.95
2	One Bed Flat	10.73	5.95	-4.78	-44.5%	5.83
	Repairs & Maintenance of Communal Areas					
3&4	Bed-sit & One Bed Flat	3.99	3.99	0.00	0.0%	3.99
	EAST ST FLATS					
	Gas Heating & Hot Water					
5	Bed-sit	12.01	6.66	-5.35	-44.5%	6.53
6	One Bed Flat	18.41	10.21	-8.20	-44.5%	10.01
7	Two Bed Flat	23.21	12.87	-10.34	-44.5%	12.62
8	Three Bed Flat	28.81	15.98	-12.83	-44.5%	15.66
	ANGEL COURT EXTRA CARE SCHEME					
9	Gas & Electric	38.08	30.00	-8.08	-21.2%	29.41
	Communal Facilities					
10	Maintenance of Communal Areas - Flats	8.55	5.56	-2.99	-35.0%	5.46
11	Maintenance of Communal Areas - Bungalows	1.35	0.88	-0.47	-34.8%	0.86
12	Furnishings and laundry - Flats	0.98	0.89	-0.09	-9.2%	0.88
13	Furnishings and laundry - Bungalows	0.21	0.19	-0.02	-9.5%	0.19
14	Scheme manager	14.14	15.57	1.43	10.1%	15.56
15	Cleaning of corridors and windows	9.93	11.07	1.14	11.5%	10.86
16	Provision of domestic home support	9.11	10.12	1.01	11.1%	9.92
	SHELTERED ACCOMMODATION					
	Gas Heating					
18	Flat one bed	24.77	17.20	-7.57	-30.6%	16.86
18A	Flat two bed	27.52	19.11	-8.41	-30.6%	18.74
19	Sheltered Scheme Officer Properties	30.27	21.02	-9.25	-30.6%	20.61
20	Communal Areas	1.39	0.83	-0.56	-40.3%	0.81
	Electricity					
21	Flat	11.17	11.16	-0.01	-0.1%	10.94
22	Sheltered Scheme Officer Properties	14.65	14.64	-0.01	-0.1%	14.35
23	Communal Areas	10.36	10.35	-0.01	-0.1%	10.15
	Repairs & Maintenance of Communal Areas (contained units only)					
24		2.31	2.31	0.00	0.0%	2.31
	Cleaning					
	Cleaning (communal areas for contained units only)	7.50	7.80	0.30	4.0%	7.80
	Cleaning (communal lounge for separate units only)	0.60	0.63	0.03	5.0%	0.62
	Sheltered Scheme Officers					
27/28	Sheltered Scheme Officer	15.26	16.81	1.55	10.2%	16.80
29	Mobile Sheltered Scheme Officer	8.61	9.49	0.88	10.2%	9.48
30	Concessionary TV Licence	0.15	0.15	0.00	0.0%	0.15
	LOW RISE BLOCKS					
31	Communal Areas - Cleaning	2.82	2.96	0.14	5.0%	2.91
	MID RISE BLOCKS					
32	Communal Areas - Cleaning	3.83	3.92	0.09	2.3%	3.85
	MULTI STOREY FLATS					
33	Concierge & cleaning	11.91	12.10	0.19	1.6%	11.86
34	Caretaking & cleaning	11.12	12.22	1.10	9.9%	11.98
	REGENT COURT					
35	Maintenance of fire safety system	1.66	1.25	-0.41	-24.7%	1.23

	DISPERSED HOMELESS UNITS					
	<u>Heat & light</u>					
36	Sharing Bed-sit (each)					
37	Two Bed Flat					
38	Three Bed Flat					
	<u>Furnishings</u>					
39	Sharing Bed-sit (each)					
40	Two Bed Flat					
41	Three Bed Flat					
42	Warden					
43	Laundry					
44	Cleaning					
	OUTSIDE USE OF COMMUNAL LOUNGES					
45	Up to 1 hour	8.74	9.33	0.59	6.7%	9.33
46	Up to 2 hours	16.06	17.14	1.08	6.7%	17.14
47	1 Session (2 - 4 hours)	24.76	26.42	1.66	6.7%	26.42
48	2 Sessions	45.50	48.55	3.05	6.7%	48.55
49	3 Sessions	63.10	67.33	4.23	6.7%	67.33
	USE OF GUEST ROOMS AT SHELTERED ACCOMMODATION					
	<u>No en-suite amenities</u>					
50	Single (charge per night)	8.93	9.53	0.60	6.7%	9.53
51	Couple (charge per night)	10.17	10.85	0.68	6.7%	10.85
	<u>Partial en-suite</u>					
52	Single (charge per night)	11.08	11.82	0.74	6.7%	11.82
53	Couple (charge per night)	11.71	12.49	0.78	6.7%	12.49
	<u>Full en-suite</u>					
54	Single (charge per night)	12.62	13.47	0.85	6.7%	13.47
55	Couple (charge per night)	13.91	14.84	0.93	6.7%	14.84
	KITCHEN APPLIANCES					
56	Portobello	0.41	0.41	0.00	0.0%	0.41
57	Cranesville	2.71	2.71	0.00	0.0%	2.71
58	Millbrook	1.70	1.70	0.00	0.0%	1.70
59	Norfolk Place	2.71	2.71	0.00	0.0%	2.71
60	Hallgarth	1.70	1.70	0.00	0.0%	1.70
	FURNITURE PACKAGES					
65	Mini Package	12.23	13.17	0.94	7.7%	13.16
66	Package Option 1	22.33	24.06	1.73	7.8%	24.04
67	Package Option 2	31.83	34.29	2.46	7.7%	34.26
68	Package Option 3	41.18	44.36	3.18	7.7%	44.32
69	Package Option 4	50.52	54.41	3.89	7.7%	54.37
70	Admin Charge	2.14	2.14	0.00	0.0%	2.14
	GARAGES					
71	Brick Garages (Council)	5.54	5.54	0.00	0.0%	5.54
72	Brick Garages (Private)	9.34	9.34	0.00	0.0%	9.34
73	Commercial Use	12.21	12.21	0.00	0.0%	12.21
74	Commercial Storage	20.42	20.42	0.00	0.0%	20.42
75	Parking Bays	21.81	21.81	0.00	0.0%	21.81
76	DIGITAL AERIAL PROVISION	0.22	0.22	0.00	0.0%	0.22
	CARE ALARMS, LIFE LINES / DISPERSED ALARMS					
77A	Sheltered Scheme	4.70	5.01	0.31	6.6%	5.01
77B	Bronze	7.56	8.06	0.50	6.6%	8.05
77C	Silver	8.35	8.92	0.57	6.8%	8.91
77D	Gold	11.91	12.71	0.80	6.7%	12.70
77F	Platinum - New Charge	18.21	19.43	1.22	6.7%	19.42
77E	Smoke Alarm Monitoring	0.85	0.91	0.06	6.7%	0.91
78	Mortgage questionnaire	96.59	103.06	6.47	6.7%	103.06
79	Rent reference	48.32	51.56	3.24	6.7%	51.56

80	GARDENING SCHEME	6.66	7.11	0.45	6.7%	7.10
81	COMMUNAL TV LICENCE	0.09	0.09	0.00	0.0%	0.09
	WINLATON ASSISTED LIVING SCHEME					
82	White Goods Provision Charge	1.57	1.70	0.12	7.7%	1.69
83	Furnishings, Curtains and Carpets					
	Derwent View Close	2.67	2.88	0.21	7.7%	2.88
	Ramsey Street	3.16	3.40	0.24	7.7%	3.40
	Half Fields Road	10.67	11.49	0.82	7.7%	11.48
84	Concierge/Night Security staff	124.39	133.96	9.58	7.7%	133.86
85	Phone line to office/internet	2.01	2.16	0.15	7.7%	2.16
86	Cleaning Costs - Communal	0.55	0.60	0.04	7.7%	0.60
87	External & Communal Window Cleaning					
	Derwent View Close	0.71	0.76	0.05	7.7%	0.76
	Ramsey Street	0.71	0.76	0.05	7.7%	0.76
	Half Fields Road	0.51	0.55	0.04	7.7%	0.55
88	Electrical Testing (PAT)	0.27	0.29	0.02	7.7%	0.29
89	Tunstall Equipment		-			
	Derwent View Close	4.90	5.28	0.38	7.7%	5.27
	Ramsey Street	2.44	2.63	0.19	7.7%	2.63
	Half Fields Road	10.02	10.80	0.77	7.7%	10.79
90	Communal Electricity	1.66	1.79	0.13	7.7%	1.79
91	Communal Gas	0.77	0.83	0.06	7.7%	0.83
92	Communal Water	0.70	0.75	0.05	7.7%	0.75
93	Cyclical- Internal Communal/Staff Areas					
	Derwent View Close	0.55	0.60	0.04	7.7%	0.60
	Ramsey Street	0.55	0.60	0.04	7.7%	0.60
	Half Fields Road	1.11	1.19	0.09	7.7%	1.19
94	Administration Cost	22.16	23.86	1.71	7.7%	23.84
	WHITLEY COURT (New Scheme) - Apartments and Bungalows					
95	Furnishings, Curtains and Carpets					
	Apartments	1.95	2.10	0.15	7.7%	2.10
	Bungalow No. 6&7	10.63	11.44	0.82	7.7%	11.43
	Bungalow No. 5&8	12.54	13.51	0.97	7.7%	13.50
96	Concierge/Night Security staff	163.73	176.34	12.61	7.7%	176.21
97	Phone line to office/internet	0.65	0.70	0.05	7.7%	0.70
98	Cleaning Costs - Communal	1.01	1.08	0.08	7.7%	1.08
99	Communal Electricity	3.20	3.45	0.25	7.7%	3.44
100	Communal Gas	3.66	3.94	0.28	7.7%	3.94
101	Communal Landscaping	4.17	4.49	0.32	7.7%	4.49
102	Alarms and Door Entry	0.44	0.47	0.03	7.7%	0.47

Charges are 50-week charge unless otherwise stated

*Where installation of alarm is requested by tenant VAT is standard rated. If alarm is already built into property and part of rent or is part of care package VAT is outside the scope

Tenants with disabilities VAT is zero-rated

Housing Capital Programme 2024/25 to 2028/29

Housing Capital	Description	2024/25	2025/26	2026/27	2027/28	2028/29	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Improvement Works							
Aids & Adaptations	To carry out identified adaptations to Council Dwellings to enable people to live safely and independently within their home.	1,650	1,650	1,650	1,700	1,750	8,400
Communal Mechanical & Electrical works	Essential works to upgrade communal services in accordance with stock condition, building safety & compliance needs.	559	545	819	570	352	2,845
Digital Transformation	Transformational upgrade work to block building management services such as CCTV and door entry services	1,138	2,550	220	53	98	4,059
Environmental & Estate Improvement	Improvements to the public realm in and round estates	103	100	758	955	740	2,656
Garage Improvement Programme	Essential works to improve sustainable garage blocks, demolish unviable stock and investigation conversion & change of use where practicable	200	220	340	309	191	1,260
Block communal improvements	Improvements to the communal areas and spaces in blocks	660	673	1,188	714	1,522	4,757
Building Safety							
Building safety improvements	Essential work to meet building safety and compliance obligations	1,084	1,027	458	419	322	3,310
Safety & Security	Work to install and renew smoke and CO detection.	64	65	89	91	108	417
HRA Commercial Property Improvements	Targeted interventions in the HRA commercial portfolio to meet landlord obligations	50	50	50	10	32	192
Major Future Works							
Energy & Carbon Net Zero	Delivery of work packages to improve insulation, install green technology and energy solutions that will support achieving Net Zero.	2,000	2,000	4,088	4,211	4,460	16,759
Major Investment Scheme	Targeted Transformation investment work	1,430	-	-	2,228	2,267	5,925
Domestic Heating Improvements	Replacement of failed and obsolete heating systems, upgrading them with more efficient solutions to help address fuel poverty issues.	2,395	2,450	2,832	2,565	2,799	13,041

Door & Window replacements	Continuation of the window replacement door replacement programme. Focused on medium rise blocks, but also picking up 'one off' whole house replacements	961	762	335	343	351	2,752
Decent Homes	Continuation of planned estate-based improvement work to the Council's housing stock in accordance with decent homes and building safety principles, prioritised using stock condition data.	5,736	5,854	6,415	7,935	10,481	36,421
Contractual Obligations	Preliminary costs associated with schemes	2,134	2,177	2,220	2,265	2,310	11,106
Fixed Budget Fees	Continuation of the rolling programme of condition surveys to enable effective asset management, options appraisals and the development of future investment schemes.	587	599	611	623	635	3,055
Expectational Works							
Regeneration and Demolition	Delivery of option appraisal outcomes - acquisition / conversion / demolition of unsustainable HRA assets.	3,583	6,329	12,500	640	-	23,052
Housing Developments							
New Build/Acquisition - Various	Investment to create new Council homes.	2,340	10,080	19,980	18,981	11,031	62,412
Other Capital							
ICT Refrsh	Replacement of IT Hardware & Software licences	163	55	-	-	-	218
Total Housing Capital Budget		26,837	37,186	54,553	44,612	39,449	202,637
Funded By							
Major Repairs Reserve Contributions		(19,114)	(18,859)	(18,690)	(18,536)	(18,394)	(93,593)
Revenue Contribution to Capital		-	(4,811)	(9,202)	(3,492)	(4,080)	(21,585)
HRA Capital Receipts		(6,964)	(13,131)	(10,760)	(5,346)	(4,357)	(40,558)
Grant Funding		(759)	(385)	(3,885)	(3,691)	(2,145)	(10,865)
HRA Borrowing		-	-	(12,016)	(13,547)	(10,473)	(36,036)
Total Funding		(26,837)	(37,186)	(54,553)	(44,612)	(39,449)	(202,637)