



2018-19 HRA Budget and Business Plan

County Council: 20 February 2018



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30 year business plan - HRA

- **Completion of WHQS by 2020**
 - and WHQS maintained
- **Meeting Choices Document commitments**
- **200 homes built**
 - Next batch of sites to Cabinet for consideration in March
 - £11.8m borrowing planned for 2018/19
- **Significant surpluses after 2020 providing for**
 - estate remodelling
 - further new build
 - service improvements

2017/18 outcomes - WHQS

- **On schedule to complete Year 3 of the 6 Year Programme**

- **65% of WHQS component installations completed**
- **53% of budget expected to be spent by 31st March
(original plan expected 54% by year 3)**

- **Internals Programme (Kitchen & Bathrooms)**
 - 6700 Kitchens installed to date
 - 6500 Bathrooms installed to date

- **Envelope (Roofing, Windows & Doors)**
 - 3600 WHQS Compliant Roofs
 - 5500 WHQS Compliant Windows & Doors



WHQS activity



2017/18 outcomes - Council house building programme

- 200 homes over five years from 2016
 - 91 approved to date
 - Schemes at Custom House, the Walks, Maes y Meillion, Heol y Goron, Redhall and Ysgol Delyn complete by 31st March
 - Schemes at the Dairy and Melrose due to be completed in 2018



New Build Homes





Flint - before and after



2017/18 Outcomes - Performance (Q3)

Routine Repairs:

- 19,200 repairs completed
- 84% appointments kept

Category	% completed in target
Emergency	100%
Urgent	97%
Routine	97%
Gas servicing	99.9%

Voids: Average days to let 38 against a target of 33 days
64% properties accepted on first offer

Rents: £215k higher than same date 12 months ago
(350 tenants on universal credit owing £440k)

Year end un-earmarked balances of £1.116m against a target of £0.962m (3% of expenditure)

HRA Budget 18/19

Key assumptions

➤ Rental Projections

- Increase is based on CPI at Sept 2017, plus up to £2 per week (if below target rent).
- CPI for Sept 2017 was 3%
- Proposed average rent for 2018/19 of £90.45 based on 52 weeks. (Target rent £96.51)

➤ Total Rental Income £33m

Other Income

Income	
Garages (net of vacants)	£428,248
Leased Charges (sold flats)	£13,000
Insurance Commission	£25,000
Service Charges	£284,163
Water Commission	£551,000
Garage Plots	£4,805
Land Income	£3,500
Tithes and Wayleaves	£7,000
Court Costs	£17,000
Total	£1,333,716

- » Proposed garage rent increase for 2018/19 of £1 per week. Taking garage rent per week to £7.61 (based on 52 weeks)
- » Proposed garage plot increase of £0.20 per week. Taking garage plot rent to £1.40 per week.

Service Charges 2018/19

	All Tenants
Aerials	£1.20
Communal Cleaning	£3.77
Laundry Services	£0.72
Window Cleaning	£0.47

FUTURE PHASING OF SERVICE CHARGES

Detailed consultation has taken place
(Charges will be increased each year until full costs are recovered)

HRA Efficiency Proposals/cost pressures

Revenue Efficiencies/Use of one off funding

No	Section	Description	Type	2017/18 £	Notes
1	Repairs & Maintenance Support	Deletion of 0.6 FTE Finance Assistant (vacant post)	Structural Review	(15,450)	
2	Repairs & Maintenance Support	Reduction in grade	Structural Review	(15,148)	
3	Responsive Repairs	Deletion of 2 x Builder (vacant posts)	Structural Review	(61,390)	
4	Void Repairs	Deletion of 1 x Plasterer and 1 x Floor Layer (vacant posts)	Structural Review	(59,004)	
5	Tenancy Management	Deletion of 1 x Tenancy Sustainment Officer (vacant post)	Structural Review	(33,324)	
6	Responsive Repairs	Reduction to subcontractor Budget	Service Efficiency	(83,891)	
7	Housing Programmes	Deletion of 0.2 FTE Programme Manager Welfare Reform 18/19 only	Structural Review	(12,002)	Non recurring. Substantive post holder seconded to Welsh Gov
8	Rents	Reduction of 0.65% in the budgeted contribution to the Bad Debt Provision		(200,000)	Approx. figure (will change depending on rent increase applied)
9	Estate Management	Removal of tenant incentive (downsizing) budget		(15,300)	May need to be reviewed in future years.
10	Responsive Repairs	Remove increase to R&M budget for additional SHARP properties		(80,360)	Non recurring. To be reviewed during 2019/20 budget setting process.
11	Housing Programmes	Realignment of staffing costs (Council Fund & NEW Homes)	Structural Review	(30,643)	
		Total HRA		(606,512)	

Revenue Investment Decisions / Cost Pressures

No	Section	Description	2017/18 £m	Notes
1	Income	Services Charges	287,000	Reduction in income in line with phased introduction of Service Charges
		Total HRA	287,000	

HRA Capital Programme 2018/19

- » Total Proposed Capital Funding 2018/19 - £36.496m
- » Including:-
 - Major Repairs Allowance - £5.065m
 - Revenue Contribution to Capital Expenditure (CERA) - £12.170m
 - Borrowing for WHQS programme - £5.122m
 - Borrowing for New build - £11.800m
 - Affordable Housing Grant - £1.900m
 - Commuted sums - £0.439m



Draft HRA Capital Programme 2018/19

HRA Capital Programme	
WHQS	£'m
CATCH UP REPAIRS / MAJOR WORKS	
Urgent Capital Works	0.529
IMPROVEMENTS / COMMUNAL WORKS	
Fire Risk Assessments Work	0.510
General DDA Work	0.051
IMPROVEMENTS / ACCELERATED WORKS	
Asbestos Survey and Removal (Ongoing Programme)	0.612
Off Gas Programme	0.357
Welfare Reform / Adaptations	0.102
PROGRAMMED WORK STREAMS	
Internal Works	4.136
Envelope Works	10.542
External Works, Paths, Fences	0.485
Environmental Works - General	0.969
Capitalised Salaries	1.158
WHQS Acceptable Fails	1.000
Empty Properties	0.765
Total WHQS	21.215
Non WHQS	
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.051
Solar PV	-
Total Non - WHQS	1.051
SHARP Programme	
Batch 3	14.230
Total SHARP Programme	14.230
Total Capital Spend	36.496