

**COMMUNITIES DIRECTORATE  
HOUSING REVENUE ACCOUNT  
ESTIMATES 2016/17**

## HOUSING REVENUE ACCOUNT

### ESTIMATES 2016/17

#### Introduction

The Housing Revenue Account (HRA) has been prepared in accordance with the Local Government and Housing Act 1989, as amended by the Leasehold Reform, Housing and Urban Development Act 1993 and the Local Government Act 2003. Under this legislation the Secretary of State for the Department of Communities and Local Government (CLG) has the power to issue directives in respect of appropriate income and expenditure items.

The balance at 31 March 2015 was £2.570m, after a deficit of £0.396m in 2014/15 and a deficit is expected in 2015/16 and deficits are expected in 2015/16 and 2016/17. The major influences on these figures have been in 2016/17 increasing the Revenue Contributions to Capital Outlay, as a consequence of New Build acceleration and the commitments of the rest of the Capital Programme, some of which may now need to be delayed. Council rents income from Dwellings has decreased by £0.263m in 2016/17, as required by the Welfare Reform and Work Bill, which is expected to be enacted shortly, whereby all social landlords must reduce their rents by 1% per annum for the next 4 years. The proposal to transfer a 10% average, annually of the 10-year variable rate loan taken out on the inception of HRA self financing to a the loan draws £3.18m from the HRA in 2015/16 but not in 2016/17. The demands of the Capital Programme and the changes in the Self-Financing regime (1% rent reductions annually for 4 years, and the expectation of a levy being applied by the Government that will require the sale of "High Value" Voids) are all reducing resources from the HRA. It is still the intention to maintain a Self-financing reserve as approved by Members., but to consider a re-profiling of future transfers.

The HRA subsidy system ceased at the end of 2011/12 when this Council was required to pay to the Government their notional HRA surplus, as determined by the subsidy settlement. From April 2012 the new Self Financing system, where councils now keep all rents in exchange for an allocation of housing debt came into effect. The council borrowed £185.456m in 6 tranches, 5 long term fixed rate loans maturing in 2038 and annually thereafter, and 1 shorter term variable loan maturing in March 2022. Self-Financing was to provide autonomy for Local Authority Housing - but the recent changes (and not all are finalised) have reduced that independence, but the Capital Review anticipates it will be partly utilised in 2017/18. It was a Cabinet decision to establish the Self-Financing reserve and Council will approve any change in this policy.

The Finance and Performance Management Cabinet Committee considered an Options Report for the HRA last year, which considered all of the above issues, and agreed to undertake a further Options Review later this year, once the Government's approach to the sale of "High Value" Voids has been determined.

### **Thirty Year HRA Financial Plan**

The Council has for a number of years produced a thirty year HRA Financial Plan. However with the advent of self financing this has taken on more prominence. The Financial Plan is reviewed and updated quarterly to check actual progress against the plan and where necessary make amendments. The updated Financial Plan is presented to members twice annually.

### **Management and Maintenance**

Management and maintenance expenditure in 2015/16 has increased by 2.0% (£275,000) in the probable outturn compared to the original estimates. In 2016/17 the costs have increased by 9.8% (£1,382,000) compared to the original 2015/16. Most of this (£1,200,000) relates to the HRA Contribution to the Repairs Fund, and is required at this level to prevent the Repairs Fund from falling into deficit. Please refer to the detailed page for Supervision and Management General for a detailed analysis. The cost of insurance has fallen.

### **Housing Improvements and Service Enhancements**

Housing Improvements and Service Enhancements total £702,000 uncommitted funding within the HRA's Housing Improvements and Service Enhancements Fund for 2016/17. However, the Finance and Performance Management Cabinet Committee has determined that this should not be spent at present, with the exception of:-

- (a) £20,000 per annum being made available for a further 2 years (2016/17 and 2017/18) to fund Voluntary Action Epping Forest (VAEF) to continue to provide the successful Mow and Grow Scheme for older and disabled Council tenants;
- (b) £50,000 per annum continuing to be made available for the Housing Improvements and Service Enhancements In-Year Fund, to fund small improvements and enhancements identified during 2016/17, with the current approval arrangements applying; and
- (c) £42,000 to be used in 2016/17 to fund the Citizens Advice Bureau (CAB) to extend the employment of its two existing Debt Advisers for a further year.

### **Depreciation**

Under IFRS, introduced for the financial year 2010/11 there is a requirement to value and depreciate significant components of assets separately. The life cycles used until 31 March 2012 were based on the decent homes standard, however from 1 April the Council's New Modern Home Standard has been used which has meant that generally components will be replaced sooner than before. The effect was to increase substantially the depreciation charge. Since then the Council has agreed with the External Auditor a revised method of calculating the depreciation charge lowering it to £13.5m in 2015/16 and £12.9m in 2016/17.

### **Housing Repairs Fund**

The Housing Repairs Fund balance at the start of 2015/16 was £1.491m, and is estimated to be £1.7m by the end of 2020/21. The contribution for 2015/16 and 2016/17 has been set at £5.3m and £6.2m. The contribution has been reduced back to £5.7m per annum after 2016/17.

### **Major Repairs Reserve**

The Major Repairs Reserve balance as at the end of 2014/15 was £11.154m, and is predicted to reduce to Nil by the end of 2016/17. Thereafter the Council will annually spend an amount equivalent to the amount made available each year.

### **Capital Expenditure**

Capital expenditure charged to revenue is based on the latest predictions of availability of funds to finance the Capital Programme. The contribution in 2015/16 is forecast to be £4.9m. In 2016/17 this rises to £6.80m.

### **Housing Repairs Service**

The Housing Repairs Service carries out a significant proportion of the repairs required to the Council's stock. The total cost of the Service is recharged to either the Housing Repairs Fund or (for capital projects) to the HRA Capital Programme. There is also a small amount of work carried out for the General Fund.

### **Housing Subsidy**

Housing Subsidy has been abolished (s.167 Localism Act 2011) and the negative subsidy of £11.304m (2011/12) paid to the Government has been replaced by an annual interest charge of around £5.6m. The principal sum borrowed (£185.456m) has to be repaid eventually (with a re-financing option). The thirty year HRA Financial Plan did show that over that period there will be more than enough finance available for this to happen as well as invest in HRA service improvements. However the recent changes to Local Authority Housing finance, decreasing dwelling rents by 1% per annum, and the proposed levy on High Value Voids may change those planning assumptions, which will be reviewed as part of the HRA Options Review later in the year.

### **Proposed Rent Increase**

From 2003/04 rents have been set with reference to a Government formula based on property values, number of bedrooms and local earnings. The scheme was referred to as rent restructuring, and its intention was to ensure that rents for broadly similar properties should be the same, regardless of whether the landlord is the local authority or a registered social landlord.

The proposed average rent decrease for 2016/17 is 1.0% (£0.98), which gives an average weekly rent for 2016/17 of around £96.56 per week.

The Council has complied with the Government's previous rent restructuring regime . The Government now has a Social Rents Policy which includes formula rents. The end of rent restructuring resulted in an estimated £40m loss of rental income over the 30 year HRA Financial Plan. Most Social Landlords re-let vacant property at the "target rent" for the property, which the Council has also done from 5th April 2014. Estimated additional income was £50,000 in 2014/15 and in subsequent years. The Welfare Reform and Work Bill features 1% rent reductions for 4 years and these are expected to reduce the income to the Council's Housing Revenue Account (HRA) by around £14 million over the next four years and around £228 million over the next 30 years.

### **Interest on Receipts and Balances**

The HRA interest income has remained relatively low during 2015/16 as the bank rate has remained at 0.5% since March 2009 and the further decline of the financial markets has meant that the Council can only invest with a limited number of counterparties and for shorter durations. All these have contributed to lower yields being achieved.

### **Interest Payable on Loans**

This is for the servicing of loans the Council has taken to fund the CLG's Self-Financing Debt Settlement.

### **Self-Financing Reserve**

As part of the debt portfolio taken out toward the end of 2011/12 a variable loan of £31.8m for 10 years was included. The thirty year HRA Financial Plan demonstrates that HRA balances will have increased sufficiently for this to be repaid in 2021/22. As explained earlier, it is usual for a sum equivalent to an average of 10% per annum to be set aside in a Self-Financing Reserve so that this money is separately identified for this purpose. It may be necessary to amend the capital expenditure profile within the thirty year Financial Plan for this to be possible, which will be considered as part of the forthcoming HRA Options Review. A pattern of contributions has been agreed previously by Members, reducing to £1.25million from 2016/17 and starting to rise again from 2019/20. The contribution for 2016/17 has had to be foregone to create sufficient RCCO in that year.

### **Minimum HRA Balance**

The Council's previously agreed minimum level of balance to be achieved is £2million, and this will be achieved in 2015/16 and 2016/17.

**HOUSING DIRECTORATE  
HOUSING REVENUE ACCOUNT SUMMARY**

<b>2014/15</b>		<b>2015/16</b>			<b>2016/17</b>
<b>Actual</b>	<b>Original</b>	<b>Probable</b>			<b>Original</b>
<b>£000's</b>	<b>Estimate</b>	<b>Outturn</b>			<b>Estimate</b>
	<b>£000's</b>	<b>£000's</b>			<b>£000's</b>
				<b>EXPENDITURE</b>	
4,525	4,616	4,859		Supervision & Management General	4,908
3,566	3,870	3,777		Supervision & Management Special	3,902
481	526	363		Rents, Rates Taxes & Insurances	384
5,000	5,000	5,300		Contribution to Repairs Fund	6,200
0	50	38		Improvements / Service Enhancements	50
<b>13,572</b>	<b>14,062</b>	<b>14,337</b>		<b>MANAGEMENT &amp; MAINTENANCE</b>	<b>15,444</b>
12,943	13,539	13,152		Depreciation	12,924
60	83	67		Treasury Management Expenses	70
62	100	236		Provision for Bad/Doubtful Debts	120
<b>26,637</b>	<b>27,784</b>	<b>27,792</b>			<b>28,558</b>
				<b>INCOME</b>	
(31,584)	(32,177)	(32,292)		Gross Rent of Dwellings	(32,029)
(834)	(859)	(862)		Non Dwellings Rent	(887)
(1,574)	(1,587)	(1,641)		Charges for Services & Facilities	(1,665)
(336)	(356)	(333)		Contribution from General Fund	(353)
<b>(34,328)</b>	<b>(34,979)</b>	<b>(35,128)</b>			<b>(34,934)</b>
<b>(7,691)</b>	<b>(7,195)</b>	<b>(7,336)</b>		<b>NET COST OF SERVICES</b>	<b>(6,376)</b>

**HOUSING DIRECTORATE  
HOUSING REVENUE ACCOUNT SUMMARY**

2014/15		2015/16			2016/17
Actual £000's	Original Estimate £000's	Probable Outturn £000's			Original Estimate £000's
(7,691)	(7,195)	(7,336)	NET COST OF SERVICES		(6,376)
(520)	(422)	(295)	Interest on Receipts and Balances		(169)
5,558	5,566	5,596	Interest Payable on Loans		5,621
(5,611)	(6,014)	(5,619)	Transfer from MRR		(5,363)
(23)	(34)	(28)	Reversal of DLO depreciation		(25)
785	794	710	Pensions Interest Payable/Return on Assets		710
<u>(7,502)</u>	<u>(7,305)</u>	<u>(6,972)</u>	<b>NET OPERATING INCOME</b>		<u>(5,602)</u>
			APPROPRIATIONS		
5,200	4,900	4,900	Capital Exp. Charged to Revenue		6,800
(576)	(722)	(860)	FRS 17 Adjustment		(860)
0	0	0	Transfer to Capital Reserves		0
3,180	3,180	3,180	Transfer to Self Financing Reserve		0
0	0	0	Transfer to Insurance Fund		0
116	(105)	(179)	Transfer to Enhancement Fund		0
(22)	0	0	Leave Accruals		0
<u>7,898</u>	<u>7,253</u>	<u>7,041</u>			<u>5,940</u>
<u>396</u>	<u>(52)</u>	<u>69</u>	<b>(SURPLUS)/DEFICIT FOR YEAR</b>		<u>338</u>
2,966	3,482	2,570	BALANCE BROUGHT FORWARD		2,501
396	(52)	69	(SURPLUS)/DEFICIT FOR YEAR		338
<u>2,570</u>	<u>3,534</u>	<u>2,501</u>	<b>BALANCE CARRIED FORWARD</b>		<u>2,163</u>

**HOUSING DIRECTORATE  
HOUSING REPAIRS FUND SUMMARY**

2014/15		2015/16			2016/17
<i>Actual</i>	<i>Original Estimate</i>	<i>Probable</i>	<i>Outturn</i>		<i>Original Estimate</i>
<i>£000's</i>	<i>£000's</i>	<i>£000's</i>	<i>£000's</i>		<i>£000's</i>
				<b>EXPENDITURE</b>	
4,059	4,147	4,255		Responsive and Void Repairs	4,349
2,185	2,281	2,169		Planned & Cyclical Maintenance	2,165
18	(51)	(67)		Other items	(67)
<b>6,262</b>	<b>6,377</b>	<b>6,357</b>		<b>TOTAL EXPENDITURE</b>	<b>6,447</b>
<b>(5,000)</b>	<b>(5,000)</b>	<b>(5,300)</b>		<b>CONTRIBUTION FROM HRA</b>	<b>(6,200)</b>
<b>1,262</b>	<b>1,377</b>	<b>1,057</b>		<b>(SURPLUS)/DEFICIT FOR YEAR</b>	<b>247</b>
2,755	1,743	1,493		BALANCE BROUGHT FORWARD	436
1,262	1,377	1,057		(SURPLUS)/DEFICIT FOR YEAR	247
<b>1,493</b>	<b>366</b>	<b>436</b>		<b>BALANCE CARRIED FORWARD</b>	<b>189</b>



**HOUSING DIRECTORATE  
MAJOR REPAIRS RESERVE SUMMARY**

2014/15		2015/16			2016/17
<i>Actual</i>	<i>Original</i>	<i>Probable</i>			<i>Original</i>
<i>£000's</i>	<i>Estimate</i>	<i>Outturn</i>			<i>Estimate</i>
	<i>£000's</i>	<i>£000's</i>			<i>£000's</i>
				<b>EXPENDITURE</b>	
7,526	11,969	9,181		CAPITAL EXPENDITURE	16,140
5,611	6,014	6,107		TRANSFERRED TO HRA	5,714
<b>13,137</b>	<b>17,983</b>	<b>15,288</b>		<b>TOTAL EXPENDITURE</b>	<b>21,854</b>
<b>(12,932)</b>	<b>(13,539)</b>	<b>(13,152)</b>		<b>DEPRECIATION</b>	<b>(12,924)</b>
<b>205</b>	<b>4,444</b>	<b>2,136</b>		<b>(SURPLUS)/DEFICIT FOR YEAR</b>	<b>8,930</b>
11,359	10,127	11,154		BALANCE BROUGHT FORWARD	9,018
205	4,444	2,136		(SURPLUS)/DEFICIT FOR YEAR	8,930
<b>11,154</b>	<b>5,683</b>	<b>9,018</b>		<b>BALANCE CARRIED FORWARD</b>	<b>88</b>

**HOUSING REVENUE ACCOUNT**  
**Supervision/Management General**

	2014/15	2015/16		2016/17			
	Actual	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure	
	£000	£000	£000	£000	£000	£000	
Capital Monitoring	102	106	151	128	-	128	Changes are mainly due to the Council's past restructure and freshly calculated recharges, this does not significantly affect the HRA's bottom line figure.
Comp.Costs New Hsg.System	3	14	5	5	-	5	Comprises residual consultancy costs.
Contribution To General Fund	603	617	635	654	-	654	This is mainly a contribution to the Corporate and Democratic Core, the HRA paying its share towards Democratic Representation and Management and such Corporate Costs as the head of the paid service (Chief Executive), direct management of services and the provision of advice and support to members.
Hsg. Man. Support Servs.	158	165	193	208	0	208	
Managing Tenancies	1,089	1,088	1,183	1,228	-	1,228	Time spent by staff and hence allocations have changed, but this does not affect the HRA bottom line.
New House Builds	322	309	182	187	-	187	A new heading for any costs that cannot be charged to Capital. That is to say these costs relate to abortive work or work that does not comply with the strict definitions necessary for recognition as an asset. Low due to slippage in 2015/16.
Policy & Management	396	414	353	333	-	333	Contains the Director and Senior Management 3% year on year increase.
Rent Accounting & Collection	604	667	853	864	0	864	
Repairs Management	704	699	666	705	-	705	This is the Client side of the Repairs Service. No variation year on year.
Sale Of Council Houses	38	91	182	204	(26)	178	Right to buy sales in 2015/2016 and 2016/2017 have been at an increased level, but this appears to be slowing. Pay to Stay may though encourage sales.
Tenant Participation	98	79	79	33	-	33	Housing staff support the Epping Forest Tenants and Leaseholders Federation, the sheltered Housing Forum, Leaseholders Association and a Repairs and Maintenance Focus Group. No TP Staff time spent in 2016/17. Now in Housing Management Group for 1617.
Waiting Lists & Allocations	408	367	377	385	0	385	
<b>Grand Total</b>	<b>4,525</b>	<b>4,616</b>	<b>4,859</b>	<b>4,934</b>	<b>(26)</b>	<b>4,908</b>	

**HOUSING REVENUE ACCOUNT  
Supervision/Management Special**

	2014/15	2015/16		2016/17		
	Actual	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
Aged Persons Management	704	737	752	770	-	770
Aged Persons Support	360	384	298	314	-	314
Homelessness Management	257	263	272	279	-	279
Homelessness Support	19	19	20	20	-	20
Special Items	2,226	2,467	2,435	2,519	-	2,519
<b>Grand Total</b>	<b>3,566</b>	<b>3,870</b>	<b>3,777</b>	<b>3,902</b>	<b>-</b>	<b>3,902</b>

There has been an increase in 2016/17 to employee costs as a result of expected pay award. Staff time spent also changed from Support to Management.

There has been a slight increase in 2016/17 due to the expected inflation on employee related costs. Staff time spent also changed from Support to Management.

Management costs have remained quite stable.

No material change.

In 2015/16 and 2016/17 Employee costs have increased as a result of the Pay Award. More Removal Expenses and Compensation paid out in 2015/16. Staircase lighting lower budgets for electricity and lower Support Service Recharge.

**HOUSING REVENUE ACCOUNT**  
**Rents Rates Taxes Insurance and Other Expenditure**

	2014/15	2015/16		2016/17		
	Actual	Original	Probable	Gross	Gross	Net
	£000	Estimate	Outturn	Expenditure	Income	Expenditure
		£000	£000	£000	£000	£000
Capital Exp Charged To Revenue	5,200	4,900	4,900	6,800	-	6,800
Debt Management	60	83	67	70	-	70
Increase Bad & Doubtful Debts	62	100	236	120	-	120
Rents/ Rates/Taxes/Insurance	481	526	363	384	-	384
<b>Grand Total</b>	<b>5,803</b>	<b>5,609</b>	<b>5,566</b>	<b>7,374</b>	<b>-</b>	<b>7,374</b>

This has increased to a higher level to support the House Building Programme and that cannot be funded from the Major Repairs Reserve.

Central Services support has increased.

Bad Debts Provision has increased due to higher arrears at Wk 38 in 2015/16.

Public Liability £13,000 increase Original to Original. This budget includes building insurance on the Council's dwellings, which has decreased £54,000 Original to Original. Void properties where Rates and Council Tax are payable. Also includes Water charges.

**HOUSING REVENUE ACCOUNT  
Capital Charges**

	2014/15	2015/16		2016/17		
	Actual	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
Depreciation	12,943	13,539	13,152	12,924	-	12,924
<b>Grand Total</b>	<b>12,943</b>	<b>13,539</b>	<b>13,152</b>	<b>12,924</b>	<b>-</b>	<b>12,924</b>

However, from 1st April the Council's Modern Home Standard has been used which has meant that generally components will be replaced sooner than before. The effect was to increase substantially the depreciation charge - the original estimate rose to £18.4m . Since then the Council has agreed with the external Auditor a revised method of calculating depreciation charge lowering it to £13.5m in 2015/16 and £12.9m in 2016/17

In order to allow the transfer to full depreciation accounting and allow time for proper implementation, the draft determination published by CLG allows a transitional period of up to 5 years with authorities able to move across to full depreciation accounting beforehand should they wish. During this period, authorities would be allowed to continue to reverse out depreciation and impairment and allow the equivalent to the major repair costs in the self - financing valuation to hit the bottom line. This transitional period will also deal with any issues about short term affordability due to the way the HRA model operates. Once the transitional period is over more depreciation will be locked in the Major Repairs Reserve and not be available for Council House Building. However, the intention would be to adjust the Revenue Contribution to capital to maintain the current position. CLG are likely to extend the transitional period.

**HOUSING REVENUE ACCOUNT**  
**Property Related Income**

	2014/15	2015/16		2016/17		
	Actual	Original	Probable	Gross		Net
	£000	Estimate	Outturn	Expenditure	Gross Income	Expenditure
	£000	£000	£000	£000	£000	£000
Business Premises	(18)	(19)	(21)	-	(21)	(21)
Charges for Services & Facilities	(1,574)	(1,587)	(1,641)	-	(1,665)	(1,665)
Contribution from General Fund	(336)	(356)	(333)	-	(353)	(353)
Garages	(806)	(830)	(831)	-	(856)	(856)
Gross Rent of Dwellings	(31,584)	(32,177)	(32,292)	-	(32,029)	(32,029)
Ground Rents	(10)	(10)	(10)	-	(10)	(10)
<b>Grand Total</b>	<b>(34,328)</b>	<b>(34,979)</b>	<b>(35,128)</b>	<b>-</b>	<b>(34,934)</b>	<b>(34,934)</b>

Income here relates to a few non dwelling rents that are held in the HRA.

Year on year income is quite stable but some variances are concealed. OAP Units Service Charge income is down £52k but most of the other charges have increased, such as Housing Related Support.

This is the contribution made towards grounds maintenance costs of housing land in relation to properties that have been sold under the Housing Right to Buy legislation. The year on year allocation from grounds maintenance has decreased.

Garage rents income has increased due to the effect of the proposed 3% rent increase from £8.10 to £8.35 in 2016/17. Garage stock was 2,274 at 31.3.15. The Rent system mid-way through 2015/16 implies a net stock of 1,971 after voids.

The rental income is based on a slightly reduced stock of houses in 2015/16 but 20 RTB sales are assumed in 2016/17, with 23 additions expected from New Build. An average decrease in rents of 1% (decrease by £0.98 to £96.56 in 2016/17 average weekly rent) is proposed, as required by the Welfare Reform and Work Bill. Most Social Landlords re-let vacant property at the "target rent" for the property which the council has also done from 5th April 2014. Estimated additional income £50k in 2015/16 and in subsequent years.

This relates to the Ground Rents for Leaseholders

**HOUSING REVENUE ACCOUNT**  
**Interest Income**

	2014/15	2015/16		2016/17		
	Actual	Original	Probable	Gross	Gross	Net
	£000	Estimate	Outturn	Expenditure	Income	Expenditure
	£000	£000	£000	£000	£000	£000
Interest On Capital Balances	(318)	(283)	(113)	-	(55)	(55)
Interest On Revenue Balances	(202)	(139)	(182)	-	(114)	(114)
<b>Grand Total</b>	<b>(520)</b>	<b>(422)</b>	<b>(295)</b>	<b>-</b>	<b>(169)</b>	<b>(169)</b>

The interest on Capital and Revenue Balances is based on the HRA's Usable Reserves and the Average Investment Interest Rates expected. The planned use of these reserves has been modelled in line with the Capital Programme.

**HOUSING REVENUE ACCOUNT  
INTEREST PAYABLE**

	2014/15	2015/16		2016/17		
	Actual	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
Self Financing Interest	5,558	5,566	5,596	5,621	-	5,621
<b>Grand Total</b>	<b>5,558</b>	<b>5,566</b>	<b>5,596</b>	<b>5,621</b>	<b>-</b>	<b>5,621</b>

The debt portfolio was agreed as £154m fixed rate between 3.45% and 3.5% and variable rate of £32m (0.86% expected in 2016/17) was taken out. The interest on this debt is expected to be a little over £5.6m per annum.



**HOUSING REVENUE ACCOUNT  
SUPPORT AND TRADING SERVICES**

	2014/15	2015/16		2016/17		
	Actual	Original Estimate	Probable Outturn	Gross Expenditure	Gross Income	Net Expenditure
	£000	£000	£000	£000	£000	£000
Building Maintenance - O'Heads	(2)	1	-	2,709	(2,709)	-
Communities Policy Group	-	1	1	878	(878)	-
Housing Resources	1	(1)	(1)	580	(580)	-
Housing Services Admin	-	125	-	473	(473)	-
<b>Grand Total</b>	<b>(1)</b>	<b>126</b>	<b>-</b>	<b>4,640</b>	<b>(4,640)</b>	<b>-</b>

The budget relates to the Director and Assistant Directors of Communities. The majority of costs are recharged to the HRA which is why this is reported here.

HOUSING DIRECTORATE									
HOUSING REPAIRS FUND FIVE YEAR PROGRAMME									
ACTUAL 2014/15	DETAIL	ORIGINAL ESTIMATE 2015/16	PROBABLE OUTTURN 2015/16	ORIGINAL ESTIMATE 2016/17	Forecast Spending				
					17/18	18/19	19/20	20/21	
£'000 2,775	Responsive Repairs	£'000 2,880	£'000 2,913	£'000 3,016	2,400	2,400	2,400	2,400	This budget is categorised into responsive repairs, special works expenses, decoration allowance,s asbestos removal, door entry maintenance, windows maintenance, Norway House maintenance and drainage (rodding). Because these works are not planned, The budget can fluctuate significantly from year to year. The probable outturn is expected to be more or less in line with that originally forecasted, with a slight increase in 2016/17 and reductions in subsequent years.
1,285	Voids (Refurbishment)	1,267	1,341	1,334	1,100	1,100	1,100	1,100	Voids expenditure has been significantly increasing over the last few years. However in 2013/14 the changes in Housing Benefit regulations concerning Spare Rooms has caused more movement amongst tenants and a consequent increase in Void spend. This should reduce as tenants who wish to downsize achieve their objective.
2,186	Planned Maintenance / Improvements	2,279	2,169	2,165	1,900	1,900	1,900	1,900	This budget is categorised into Gas servicing to council houses, Gas soundness checks and Sheltered housing heating. The longer term budget requirement is expected to be in the order of £1.9m
96	Miscellaneous Projects	68	63	63	63	63	63	63	This budget is categorised into external lighting, disabled adaptations, compensation for improvements, sheltered scheme redecorations, estate enhancement fund, lift maintenance and digital TV repair.
5	Feasibilities	5	5	5	5	5	5	5	Little expenditure is expected in 2016/17 and there was only £5,000 spent in 2014/15. There are generally a few feasibilities each year and the amount included reflects this.
(85)	Less Income	(123)	(135)	(135)	(135)	(135)	(135)	(135)	These figures represent the expected contribution from leaseholders.
<b>6,262</b>	<b>TOTAL EXPENDITURE</b>	<b>6,376</b>	<b>6,356</b>	<b>6,447</b>	<b>5,333</b>	<b>5,333</b>	<b>5,333</b>	<b>5,333</b>	
(2,755)	<b>Balance brought forward</b>	(2,648)	(1,493)	(437)	(189)	(556)	(923)	(1,290)	
(5,000)	Contribution from H.R.A.	(5,000)	(5,300)	(6,200)	(5,700)	(5,700)	(5,700)	(5,700)	
6,262	Less Expenditure (above)	6,376	6,356	6,447	5,333	5,333	5,333	5,333	
<b>(1,493)</b>	<b>BALANCE CARRIED FORWARD (SURPLUS) / DEFICIT</b>	<b>(1,272)</b>	<b>(437)</b>	<b>(189)</b>	<b>(556)</b>	<b>(923)</b>	<b>(1,290)</b>	<b>(1,657)</b>	