

ANNEX B

Housing Revenue Account Pressures and Savings 2017/18

Budget Line	£000's	Item
Rent Income	281	Rent income reduction due to RTB sales
Rent Income	536	Rent income reduction due to Government policy of 1% cuts until 2019/20
Rent Income	115	Sheltered Housing – Cleaning removed from Rent to Service Charge income
Rent Income	132	Rent & service charge income reduction due to Orchard house decant
Repairs & Maintenance	18	Increase in maintenance costs (PPP – Price Per Property) due to new council housing
Repairs & Maintenance	69	Asbestos contract inflation
General Management	42	Apprenticeship levy, legislative charge at 0.5% of pay costs
General Management	104	Pay & Non-Pay inflation as set out in Budget Report
Special Services	185	Increased contribution to Sheltered Housing staffing costs
Capital Charges	12	Increase capital charges due to new Council housing (interest + depreciation)
Contribution to Reserves	1,310	Increased contribution to Regeneration Reserve as a result of Gas Maintenance contract savings
Gross Budget Pressures	2,804	Subtotal HRA Pressures
Rent Income	(153)	Increase in rent income from new Council housing (Bletchley garage sites, Blind Pond Farm, YourMK 5 sites, and Regeneration Area acquisitions)
Service Charges	(41)	Increase in Sheltered Housing service charges (capped at value of 1% rent cut)
Service Charges	(80)	Increase in General Needs Housing service charges
Repairs & Maintenance	(63)	Savings from refurbishment and change in use of Orchard House to Temp Accommodation. (decrease in Price Per Property, saving in depreciation, utilities saving)

Budget Line	£000's	Item
Repairs & Maintenance	(19)	Maintenance cost reduction (Price Per Property) due to Right to Buy (RTB) sales
Repairs & Maintenance	(1,310)	Savings in Gas maintenance contractual arrangements
Repairs & Maintenance	(102)	Non-Pay inflation in line with corporate assumptions - gas saving
General Management	(43)	Housing Improvement team staffing saving
General Management	(200)	Reduction in Fixed (corporate support) recharges, as a result of the annual review of cost allocation bases.
Capital Charges	(41)	Reduction in depreciation charge due to RTB sales
Capital Charges	(42)	Reduction capital interest charges due to RTB sales (use of receipts debt allowance to reduce debt & interest)
Capital Charges	(873)	Decrease in interest payable and depreciation, as a result of capital financing and Treasury Management operations
Interest Receivable	(160)	Interest receivable on HRA balances
Contribution to Reserves	(250)	End contribution to impairment reserve as housing stock impairments will continue to be reversible.
Gross Budget Savings	(3,377)	Subtotal HRA Savings
Net Pressures/(Savings)	(573)	Total HRA Pressures/(Savings)
Contribution to Reserves	573	Increased contribution to Asset Investment Reserve as a result of net HRA savings.
Total HRA Budget	0	Total Housing Revenue Account