

Appendix 5

Analysis by service

Code	Service unit	Previous Year Outturn	Current Year Budget	Movement	Proposed Budget 2018/19
	Income				
SHO01	Dwelling Rents	(12,604,467)	(12,368,590)	250,100	(12,118,490)
SHO04	Non Dwelling Rents	(573,241)	(571,420)	(12,710)	(584,130)
SHO07	Leaseholders' Ch For Serv	(20,887)	(21,640)	0	(21,640)
SHO08	Contributions Towards Exp	(62,729)	(36,470)	(5,000)	(41,470)
SHO09	Alarm Income - Non Tenants	(206,090)	(209,520)	209,520	0
SHO10	H.R.A. Investment Income	(59,430)	(40,000)	(19,000)	(59,000)
SHO11	Misc. Income	(636,997)	(19,000)	(350)	(19,350)
	Services				
SHO13A	Repairs & Maintenance	3,181,377	3,098,380	22,070	3,120,450
SHO17A	Housing & Tenancy Services	1,180,802	1,315,290	100,250	1,415,540
SHO22	Alarms	100,270	121,700	(121,700)	0
	Accounting entries 'below the line'				
SHO29	Movement in Bad Debt Provision	(3,309)	25,000	0	25,000
SHO30	Share Of Corp And Dem	187,545	165,320	29,270	194,590
SHO32	H.R.A. Interest Payable	1,257,909	1,214,500	(48,890)	1,165,610
SHO34	Transfers To or From Earmarked Reserves	2,716,699	2,952,820	(504,350)	2,448,470
SHO36	Revenue Contribution to Capital Operations	109,352	32,000	98,000	130,000
SHO37	Capital Receipts Reserve Adjustment	(36,400)	(26,000)	0	(26,000)
SHO38	Major Repairs Allowance	2,797,005	2,275,000	(174,000)	2,101,000
SHO45	Renewable Energy Transactions	(180,224)	(130,000)	(39,000)	(169,000)
	NET DIRECT TOTAL	(2,250,717)	(2,222,630)	(215,790)	(2,438,420)

Subjective analysis

Code	Service unit	Current Year Budget	Movement	Proposed Budget 2018/19
1000	Employees	2,250,580	158,720	2,409,300
2000	Premises	165,030	22,940	187,970
3000	Transport	407,960	(183,120)	224,840
4000	Cost Of Goods And Services	8,489,060	(597,890)	7,891,170
7000	Income	(13,535,610)	383,910	(13,151,700)
	NET DIRECT TOTAL	(2,222,980)	(215,440)	(2,438,420)
5000	RECHARGES	1,245,730	201,430	1,447,160
6000	CAPITAL CHARGES	977,250	14,010	991,260
	TOTAL	0	0	0

Assumptions

All rents to decrease by 1%, moving the actual average rent to £78.26 per week (over 52 weeks)
Thirty properties sold during 2017/18
Twenty properties sold during 2018/19
Average of twenty properties void at any one time
Six properties are excluded from rent setting as they are not available for re-let
Affordable Rents to decrease by 1%, moving the actual average rent to £110.16 per week (over 52 weeks)
Garage rents to remain at £11.10 per week
Occupancy in HRA retail units to remain at current levels

Employee costs have risen due to expected 2% increase and increases in FTE in Repairs and Tenancy
Significant reduction in vehicle purchase budget for 2018/19
Cost of Goods And Services lower due to transfer to Housing Maintenance Fund being substantially less than 2017/18 as well as a lower demand for major works in 2018/19
Community alarm service is no longer a landlord function and so will be accounted for in the General Fund
HRA cash balances to remain high in the short term and so generate investment income of circa £59k
Debt repayments of £2,645k to PWLB
- including debt interest payments of £1,115k to PWLB and £51k to GF
£1,605k contribution to the Housing Maintenance Fund to be made
Recharges to increase by £201k

6000 CAPITAL CHARGES	£
MRP for capital financing (Wells Park)	74,950
Depreciation	2,000,000
Depreciation reversal	(2,000,000)
PWLB loan MRP	916,310
	<u>991,260</u>
SHO34 H.R.A. Transfer to/from EMR	£
Surplus amount	1,604,507
Renewable energy surplus	169,000
Affordable Rent surplus	72,330
Loan premium deficit	602,633 (see below)
Total	<u>2,448,470</u>
PWLB loan	£
Principal actually repaid	1,518,945
Principal accounted for	916,313
Loan premium deficit	<u>602,633</u>