



To: Executive Councillor for Housing: Councillor Kevin Price
Report by: Liz Bisset, Director of Customer & Community Services
Relevant scrutiny committee: Housing 13/1/2016 Scrutiny Committee
Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge East Chesterton King's Hedges Market Newnham Petersfield Queen Edith's Romsey Trumpington West Chesterton

LIBERAL DEMOCRAT AMENDMENT TO :

2016/17 HOUSING REVENUE ACCOUNT BUDGET SETTING REPORT

Key Decision

1. Executive summary

- 1.1 This report sets out amendments proposed by the Liberal Democrat Group to the Housing Revenue Account Budget Setting Report 2016/17, presented to Housing Scrutiny on 13 January 2016, for decision in respect of the revenue aspects of the report by the Executive Councillor for Housing, and consideration of the capital aspects, prior to recommendation to Council on 25 February 2016.
- 1.2 The appendices to this report incorporate the Liberal Democrat Group budget proposals in relation to specific capital budget items for the HRA, with the resulting capital and revenue implications as follows:
- a) To include new capital schemes
 - b) To amend existing specific capital proposals
 - c) To incorporate the resulting revenue impact of the capital amendments

The proposals are presented as amendments to the published HRA Budget Setting Report, with the changes identified in ***bold italics***. In most cases the sub-section or appendix has been re-stated for ease of reference.

1.3 The Liberal Democrat Group states that its budget amendment addresses the following key areas:

- Resurrection of the halted new build scheme at Anstey Way, recognising that a mixed tenure scheme comprising social rented and market sale properties is the most effective way to ensure delivery of an element of social housing in the current financial climate for the HRA.
- Amendment to the proposed scheme for the re-development of the site at Akeman Street, also recognising that a mixed tenure scheme is the best way to maximise the delivery of new build housing for the longer-term.
- A proposal that the General Fund Housing Company has first option to buy the market housing on these HRA sites, which will increase the portfolio for the company making it more sustainable and in turn support the Council's General Fund.
- Inclusion of a policy that allows the HRA to have first option, for a period of 5 years, to buy back the market dwellings from the Housing Company should the company cease to require the assets. It is assumed that the option to buy back would be at market value, with inclusion of an overage provision, subject to this being possible for both the Council and the company, in both legal and accounting terms. The overage provision is proposed as 50% of any amount that exceeds the original price escalated by the annualised average of the increase in general house prices in Cambridge for the period 2013 -16.

1.4 The resulting recommendations refer to the strategy outlined in the HRA Budget Setting Report, as amended by this Liberal Democrat Amendment.

2. Recommendations

2.1 Changes to recommendations in the original report are highlighted in ***bold italics***. All of the recommendations have been re-stated in full for clarity.

Under Part 1 of the agenda, the Executive Councillor, is recommended, following scrutiny and debate at Housing Scrutiny Committee, to:

Review of Rents and Charges

- a) Approve that council dwellings rents for existing tenants be reduced by 1%, in line with legislative requirements, introduced as part of the Welfare Reform and Work Bill 2015, with effect from 4th April 2016. This equates to an average rent reduction at the time of writing this report of £1.01 per week on a 52 week basis.
- b) Approve inflationary increases of 2% in garage and parking space rents for 2016/17, in line with the base rate of inflation for the year assumed in the HRA Budget Setting Report.
- c) Approve the proposed service charges for Housing Revenue Account services and facilities, as shown in Appendix B of the HRA Budget Setting Report.
- d) Approve the proposed leasehold administration charges for 2016/17 as detailed in Appendix B of the HRA Budget Setting Report.
- e) Approve that service charges for gas maintenance, door entry systems, lifts and electrical and mechanical maintenance are increased by a maximum of inflation as measured by CPI at September 2015 (-0.1%) plus 1%, if required, to continue to recover full estimated costs as detailed in Appendix B of the HRA Budget Setting Report. This will result in a cap in increases for these charges of 0.9%.
- f) Approve that caretaking, building cleaning, estate services, grounds maintenance, temporary housing premises and utilities, sheltered scheme premises and utilities, digital television aerial, flat cleaning and catering charges continue to be recovered at full cost, as detailed in Appendix B of the HRA Budget Setting Report.
- g) Approve that the charge for the full cost of the provision of the alarm service in sheltered housing and dispersed community alarm properties be identified separately, as a charge which is ineligible for housing benefit, following cessation of funding for this service by the County Council from April 2016.

Revenue – HRA

Revised Budget 2015/16:

- h) Approve with any amendments, the Revised Budget identified in Section 4 of the HRA Budget Setting Report, which reflects a net reduction in the use of HRA reserves for 2015/16 of £19,300.

- i) Approve release, cessation of use, and appropriation, of an ear-marked reserve currently standing at £121,900, held in respect of monies received for the placement of aerials on HRA flat blocks, into general HRA reserves, to allow alternative future use.

Budget 2016/17:

- j) **Approve with any amendments, the Non-Cash Limit items shown in Appendix D (1) of the HRA Budget Setting Report, as amended in line with Appendix D (1) to this report.**
- k) **Approve with any amendments, the Unavoidable Revenue Pressures, Savings and Increased Income proposals, shown in Appendix D (1) of the HRA Budget Setting Report, as amended in line with Appendix D (1) to this report.**
- l) Approve the deletion of the Priority Policy Fund (PPF) allocation of £150,000 from 2017/18, and instead approve the creation of a fund for Service Development and Transformation/ Invest to Save Initiatives, of £120,000 per annum for 5 years from 2016/17. Approve delegated authority to the Strategic Advisor, to invest this fund, in either one-off projects, or to fund ongoing activity as required.
- m) **Approve the resulting Housing Revenue Account Summary Forecast 2015/16 to 2020/21, shown originally in Appendix J of the HRA Budget Setting Report, as subsequently amended and re-stated in full at Appendix J to this report.**

Under Part 2 of the agenda, the Executive Councillor for Housing is asked to recommend to Council (following scrutiny and debate at Housing Scrutiny Committee):

Treasury Management

- n) Request that, in 2016/17, officers review the existing approach to treasury management, which required 25% of the value of the housing debt to be set-aside by the point at which the loan portfolio matures, recognising the financial constraints that have been placed upon the HRA as a result of recent change in national housing policy. A separate report will be brought back to Housing Scrutiny Committee in 2016/17 following this review.

Housing Capital

- o) Approval of capital bids, shown in Appendix D (2) of the HRA Budget Setting Report, to include meeting the capital cost of re-locating staff to a single area housing office, with the cost to be funded from existing repairs and renewals funds for the service.
- p) Approval of amendment to the Decent Homes Programme investment, recognising the ability to make savings of £810,000 in 2015/16 in respect of boiler replacements, roof structure works, communal areas investment, garage refurbishment, asbestos removal and fire safety works, as detailed in Section 5 and Appendix E (2) of the HRA Budget Setting Report.
- q) Approval of the need to re-profile resource of £570,000 from 2015/16 into 2016/17 in respect of roof covering works and bathroom replacements, and £102,000 from 2015/16 into later years of the programme in respect of remedial works due to sulphate, as detailed in Section 5 and Appendix E (2) of the HRA Budget Setting Report.
- r) ***Approval of the latest budget, spend profile and funding mix for each of the schemes in the new build programme, as detailed in Section 5 and Appendix H of the HRA Budget Setting Report, and amended by this report, recognising the most up to date information available as each scheme progresses through the design, planning, build contract and completion process.***
- s) Recognition of the need to incorporate into the Housing Capital Investment Plan, grants awarded by the Homes and Communities Agency in respect of Aylesborough Close, Water Lane, Ditchburn Place and Clay Farm.
- t) Approval to earmark the required level of additional funding for new build investment between 2016/17 and 2017/18 to ensure that commitments can be met in respect of the investment of all right to buy receipts retained by the authority, up to the end of September 2015.
- u) ***Approval to invest net HRA resource of £1,764,000 (£5,564,000 build cost less £3,800,000 sales receipts at base year prices), over and above that already approved for land assembly costs, for the re-development of Anstey Way, as a mixed tenure scheme comprising 24 social rented homes and 10 dwellings for market sale.***

- v) ***Approval of allocation of funds for a scheme to re-develop a mixed use HRA site in Akeman Street, to deliver a mixed tenure scheme comprising 8 social rented homes and 2 dwellings for market sale, subject to the approval of a separate report for the scheme with recommendations amended as proposed by this amendment, when considered in Part 2 of this committee agenda.***
- w) ***Approval of the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report, as amended by Appendix K to this report.***
- x) ***Approve a provisional addition to the Housing Capital Allowance of £34,244,000 in respect of anticipated qualifying expenditure in 2016/17.***

General

- w) Approval of delegation to the Head of Finance, as Section 151 Officer, to make the necessary detailed budgetary adjustments in the HRA, in respect of savings approved as part of the HRA Mid-Year Financial Review, following the outcome of consultation with both tenants and staff about proposed service changes and resulting final savings.

3. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have staffing, equal opportunities, environmental and/or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

The financial implications associated with decisions are outlined in the HRA Budget Setting Report 2016/17, presented to Housing Scrutiny Committee on 13th January 2016, as amended by this Liberal Democrat Amendment.

(b) Staffing Implications

Any direct staffing implications are outlined in the HRA Budget Setting Report 2016/17, as presented to Housing Scrutiny Committee on 13th January 2016, as amended by this Liberal Democrat Amendment.

(c) Equality and Poverty Implications

An Equalities Impact Assessment has been undertaken in respect of new budget proposals where any impact (positive or negative) is anticipated. The consolidated assessment is presented at Appendix L of the HRA Budget Setting Report, as amended by this Liberal Democrat amendment.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals, with any impact highlighted in the HRA Budget Setting Report 2016/17, appended to this report, as amended by this Liberal Democrat Amendment.

(e) Procurement

Any procurement implications arising directly from revenue or capital bids will be considered and addressed as part of each individual project.

(f) Consultation and communication

Consultation with tenant and leaseholder representatives is an integral part of the Housing Scrutiny Committee process. The views of tenants and leaseholders, in respect of investment priorities, were sought as part of the last STAR tenants and leaseholder survey, and the outcome continues to inform investment priorities, and therefore, this budget process.

(g) Community Safety

Any community safety implications are outlined in the HRA Budget Setting Report 2016/17, appended to this report, as amended by this Liberal Democrat Amendment.

4. Background Papers

These background papers were used in the preparation of this report:

Housing Revenue Account Budget Setting Report 2015/16
Housing Revenue Account Mid-Year Financial Review 2015/16

5. Appendices

- Amended Sections and Extracts of the HRA BSR 2016/17
- Appendix D (1) - Amended 2016/17 Budget - HRA All Revenue Items
- Appendix E (1) - Amended HRA Budget Summary
- Appendix E (2) - Amended 2016/17 Capital Budget Summary
- Appendix H - Amended New Build Investment Cashflow

- Appendix J - Amended HRA Summary Forecast 2015/16 to 2020/21
- Appendix K - Amended Housing Capital Investment Plan

6. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Liberal Democrat
Amendment

Housing Revenue Account
Budget Setting Report
2016/17
Liberal Democrat
Amendment -
Amended or
Re-Stated Content Only



January
2016

Cambridge City Council

Section 4

Housing Revenue Account Budget

Overall Budget Position - 2016/17 onwards

Overall Budget Position

The overall revenue budget position for the Housing Revenue Account is summarised in the table below, with detail on an item by item basis for the period to 2019/20 provided in Appendix D (1):

Proposal Type	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £
Target Included at Present	Year 1 Rent Loss	2%	2%	2%	2%
Reduction required to meet Current Savings Target	1,429,000	1,542,000	1,655,000	1,768,000	1,881,000
HRA MFR Approved Revenue Savings	(1,194,880)	(1,266,440)	(1,316,440)	(1,316,440)	(1,316,440)
HRA MFR Approved Capital Savings	(237,900)	(255,800)	(255,800)	(255,800)	(255,800)
HRA MFR Savings Delivered Early	(39,460)	0	0	0	0
New 2016/17 Budget Items					
Savings	(34,000)	(34,000)	(34,000)	(34,000)	(34,000)

Increased Income	(34,000)	(34,000)	(34,000)	(34,000)	(196,550)
Unavoidable Revenue Bids	284,630	160,240	160,240	160,240	160,240
Net Savings Position above / (below) Savings Requirement	173,390	112,000	175,000	288,000	238,450
Non-Cash Limit Adjustments	93,340	(2,660)	(31,660)	(31,660)	(31,660)
Net Position for the HRA above / (below) overall assumptions	266,730	109,340	143,340	256,340	206,790

Non-Cash Limit Budgets

Non-Cash Limit items are those that do not relate directly to the cost of service provision, including for example direct revenue funding of capital expenditure (DRF), investment income and depreciation. These items are treated outside of the 2016/17 cash limit, with the implications built into the financial forecasts for the HRA as part of the budget process, informing future budget strategy, savings targets and investment priorities. Full details of these for the period to 2019/20 are given in Appendix D (1).

Performance against Savings Target

As in previous years, a savings target for the HRA as a whole was adopted.

For 2016/17, the majority of savings required were identified as part of the outcome of the Fundamental Review of the Housing Service, and were incorporated into the HRA Mid-Year Financial Review for decision. These savings are identified separately in the table above, alongside any new proposals for 2016/17 which are included for decision as part of the HRA Budget Setting Report. A summary of these savings can be found in Appendix E (1).

Additional savings have been identified in 2016/17, which are partially offset by the HRA reacting to unavoidable revenue pressures, particularly in 2016/17. The net position is an under-achievement against the savings target for 2016/17 of £266,730 reducing to £109,340 for 2017/18. Using a future savings assumption of 2% per annum, the table above demonstrates the need to identify an additional £143,340 in 2018/19 and £256,340 in 2019/20, reducing to £206,790 by 2020/21 once new homes at Anstey Way are complete and let. These are also summarised in Appendix E (1).

The savings target for the years from 2017/18 to 2020/21 has currently been incorporated into financial modelling at the previous level of approximately 2% of general management expenditure. The loss of rental income for three further years from 2017/18 onwards and the compulsion to sell high value homes, has resulted in the deletion of all new build schemes / funding over and above the level of expenditure which is required to appropriately utilise currently retained right to buy receipts, and an inability to set balanced budget from year 15 of the business plan. The need to sustain a 30 year business plan, coupled with any desire to re-introduce investment in new build housing, or to set-aside the previously approved level of resource for debt repayment of 25%, results in the need to significantly increase the savings target included from 2017/18 onwards, as part of the 2016/17 HRA Mid-Year Financial Review.

The result of transformation activity corporately will have a financial impact on the HRA in many cases, but the detail is not always available at the outset of each project. It is difficult to fully predict the impact in monetary terms of savings to the HRA from indirect service reviews, as the detail surrounding revised recharging mechanisms is not usually completed until the after the transformation activity is complete and resulting changes have been made.

For prudence, any anticipated savings to the HRA are only included once the activity is confirmed corporately as being far enough progressed that some certainty can be given to the incidence of impact between the General Fund and the HRA.

Significant savings were incorporated into the HRA in the 2015/16 budget process, as part of the fundamental change in support service delivery models across the Council. With this piece of work not yet fully complete, there is the potential for the saving that was built into the base budget to need to be revisited once the changes have been concluded.

Section 5

Housing Capital Budget

New Build Affordable Housing

New Build – 2015/16 Garage Sites

Resource of £3,000,030 has been included in the Housing Capital Investment Plan to allow for the development of a number of small garage and in-fill sites, which is anticipated to deliver a further 18 new affordable homes for the HRA.

Feasibility work is progressing on the sites at Cadwin Fields, Cameron Road, Wiles Close, Teddar Way, Kendal Way and Uphall Road, with anticipated delivery timescales in 2017/18.

Any additional resource available in future years, will be targeted to develop under-utilised garage sites, using a model of mixed tenure schemes where appropriate, in order to maximise the amount of social housing that can be delivered in light of the current financial constraints placed on the HRA.

New Build – Anstey Way

In June / July 2015, approval was given for the re-development of Anstey Way, which was anticipated to deliver 34 new homes in place of the 28 existing dwellings. However, the proposed changes in national housing policy announced in the summer budget, have resulted in an inability to fund the scheme as originally intended.

The HRA Mid-Year Financial Review included an amended funding approval for Anstey Way of £1,280,000, to allow the land assembly for the site to continue. This includes the costs to buy back leasehold dwellings and to relocate existing tenants to alternative suitable accommodation.

With savings, set-aside from other areas of the Housing Capital Investment Plan, it is proposed to deliver a mixed tenure scheme on the site, resulting in the provision of 24 social homes for rent and 10 properties for market sale. The configuration of the 24 social homes will ensure that the total number of bedrooms available in the properties retained by the HRA will exceed the number of bedrooms currently available to the HRA at the site. The sales proceeds from the 10 properties built for sale will subsidise the delivery of the social housing on the site, allowing the scheme to progress without further delay. The sum of £3,110,000 which has been set-aside in addition to the land assembly costs, is more than sufficient to deliver the mixed tenure scheme proposed, with the balance of funding then available for investment in new build schemes elsewhere in the city.

The General Fund Housing Company will have first option to acquire the market dwellings on the site, with the HRA retaining the option to buy back within the first 5 years if the Housing Company ceases to require the assets.

New Build – Akeman Street

One of the additional schemes proposed in order to utilise the retained right to buy receipts, as identified in the above paragraph, is the potential re-development of a site in Akeman Street, where 10 new affordable homes are anticipated in place of the current mixed commercial and residential development, which provides only 2 social rented homes.

It is proposed that the separate report, presented to this cycle of the Housing Scrutiny Committee for approval to proceed with this scheme, is amended to reflect the scheme

being built out as a mixed tenure site, with 8 homes for social rent and 2 for market sale, to allow some subsidy of the social housing from the value derived from the properties built for market sale.

As such the financial implications have been incorporated into the HRA and this Amended Budget Setting Report, transferring budget from the non-scheme specific allocation to a budget for Akeman Street.

Again, the General Fund Housing Company will have first option to acquire the market dwellings on the site, with the HRA retaining the option to buy back within the first 5 years if the Housing Company ceases to require the assets.

New Build – Other

Although the current financial projections for the HRA indicate limited resource being available for investment in new build housing, the authority continues to explore potential development opportunities, considering alternative funding models.

Options for securing additional grant funding, for working with partner organisations and for developing sites with mixed tenure are being fully explored and supported in an attempt to maximise the delivery of a future new build programme, despite the financial constraints imposed by the national housing policy changes.

Updated expenditure and funding sources, on a cashflow basis, for all new build schemes are detailed at Appendix H.

Capital Bids, Savings and Re-Phasing

There are no capital bids incorporated as part of the 2016/17 HRA Budget Setting Report. But there are a number of areas of saving identified in 2015/16 and re-phasing of new build activity into later years.

Detailed changes are presented in Appendix E (2), with the overall financial and presentational impact of the following items being incorporated into the Housing Capital Investment Plan presented at Appendix K.

- One-off capital savings of £810,000 in 2015/16, in respect of boiler replacements, roof structure works, communal areas, garages, asbestos removal and fire safety works, where investment is not anticipated to take place in year, and the resource is not expected to be required in future years.
- Re-phasing of £570,000 from 2015/16 into 2016/17 in respect of roof covering works and bathroom replacements and £102,000 into later years of the programme in respect of sulphate works, where work has been delayed due either to changes in planned maintenance contractor or the incidence of void properties to allow work to be undertaken.
- ***Investment of a net sum of £3,044,000 for the re-development of the Anstey Way site to deliver 24 social rented and 10 market sale homes. The net investment comprises £1,280,000 in land assembly costs which were previously included in the Housing Capital Investment Plan, and a build budget of £5,564,000. This cost will be offset by anticipated sales receipts of £3,800,000 from the sale of the 10 market dwellings, resulting in additional investment over and above the land assembly costs of £1,764,000.***
- ***Allocation of non-scheme specific new build funding to a scheme for re-development of a mixed use HRA site at Akeman Street, in line with the proposed amendments to the report presented as part of this committee cycle.***
- Inclusion of a bid to fund the capital costs of relocating staff to a single area office, to be met from repairs and renewals funding.
- Amendments to the approved level of investment for the schemes in the new build programme, as detailed earlier in this section of the report.

- Amendments to the approved funding mix for the schemes in the new build programme, in response to both changes in HCA grant expectations and in costs, as detailed earlier in this section of the report.
- Amendments to the level of resource ear-marked for investment in the acquisition or creation of new social housing, based upon the latest projections of investment required to be in a position to continue to retain and appropriately utilise existing right to buy receipts.

Section 7

Summary and Overview

Options and Conclusions

Summary and Conclusions

The work undertaken as part of the 2016/17 budget process to date has resulted in the development of proposals for the base budget of the Housing Revenue Account.

During January 2016 Housing Scrutiny Committee will consider the budget proposals, prior to the Executive Councillor for Housing making decisions and further recommendation for the final HRA Budget for 2015/16 to 2020/21 to Council for consideration and approval.

The HRA Budget Setting Report recommends, in summary:

- Approval of property rents, garage rents and service charges
- Approval of the revised budget proposals
- Approval of the unavoidable revenue bid proposals
- Approval of the general savings proposals
- Approval of increased income proposals
- Approval of the non-cash limit items
- Approval of the capital savings, revised scheme costs and funding mix
- Approval of capital resource re-allocation
- Approval of capital bids

The meeting of Council on 25th February 2016 will consider the final proposed Housing Capital Budget as identified in this report for approval.

A significant proportion of the savings identified in the HRA from 2016/17 were considered and approved as part of the HRA Mid-Year Financial Review in September 2015. These have been incorporated alongside new proposals, to present the position for the HRA as a whole in this Budget Setting Report.

As part of the 2016/17 budget process, additional savings have been identified in the costs of cyclical maintenance to the housing stock and in the operational costs for the Independent Living Service. Marginally higher levels of rent and service charge income are anticipated than predicted at the mid-year point, due to reduced levels of void activity as new build homes are completed and occupied. These savings are partially offset by unavoidable revenue pressures, predominantly due to meeting existing staff costs and statutory overheads and recognising a reduction in commercial property income. A one-off revenue pressure has been incorporated to recognise a realistic delivery timescale for the closure of one of the area housing offices and to meet the costs associated with transferring staff to the remaining location. Cash limit adjustments in respect of depreciation and anticipated interest receipts also increase the net cost of the HRA for 2016/17 and beyond.

A reduction of £19,300 in revenue costs for 2015/16 has been identified as part of this report, which will be returned to reserves, and utilised to offset revenue pressures from 2016/17 onwards.

The overall position for the HRA for 2016/17 (including non-cash limit adjustments) is under-achieved by £266,730, with the need to identify further saving in future years. This report however, presents future years with a savings target at the previous level of only 2% at present, which would only allow a balanced budget to be set for the HRA until year 15, from when an annual deficit would be evident.

It is recognised, however, that as part of the second phase of the review of Housing Services in 2016/17, the authority will need to set a significantly higher savings target for the coming years, in order to be in a position to set a balanced budget for the life of the business plan. Decisions will need to be made as to the level of savings required, considering not only the need to sustain a 30 year business plan, but also in the context of whether additional new build housing is aspired to, and whether the authority wants to set-aside any resource for the redemption of any proportion of the housing debt. The anticipated detail surrounding some of the changes in national housing policy, will be key in confirming the magnitude of this task.

A key priority for the continued provision of new build housing, will be pursuing options to deliver mixed tenure schemes where appropriate, where the value of plots sold for market housing help to subsidise the cost of the social rented homes, thus allowing delivery of more homes with limited financial resources. This can best be demonstrated by the table below, which depicts the options for investment in the Akeman Street site.

	10 Social Rented Units	8 Social Rented Units / 2 Market Sale Units	6 Social Rented Units / 4 Market Sale Units
Build Cost	1,985,510	1,985,510	1,985,510
RTB Funding Utilised	(476,522)	(357,392)	(238,261)
Sales Proceeds	0	(745,000)	(1,345,000)
Net Cost to the HRA	1,508,988	883,118	402,249
Cost per Social Rented Home	150,899	110,390	67,042

It is recognised that this approach to development sacrifices a proportion of HRA land, but in the current financial climate for the HRA, the land supply potentially outweighs the funding available to develop new homes for social rent, and this approach may be one of the only ways that new provision can be maintained. By offering the General Fund Housing Company a first option to acquire the market dwellings but retaining for

the HRA an option to buy back those properties, any sacrifice of HRA land is capable of being reversed as and when the financial climate improves and/or other financing structures are developed.

It is also recognised that funding for the Anstey Way redevelopment comes in part from savings made to the Planned Maintenance Programme. By accepting an element of market sale in the funding for the Anstey Way redevelopment, the HRA will have additional flexibility to reverse some or all of those savings to the Planned Maintenance Programme, if it transpires that those savings have been too aggressive.

The HRA's approach to long-term financial planning incorporates the assumption that any surplus resource will be set-aside in the first instance, until up to 25% of the loan portfolio can be redeemed at maturity, with any balance to be re-invested in income generating assets, whilst also maintaining reasonable financial assumptions in ongoing investment need in the current housing stock.

The ability to set-aside resource to redeem 25% of the loan portfolio is not possible in the current financial environment, and the authority may need to consider using the Localism Act to revisit the terms of the self-financing debt settlement.

2016/17 Budget - HRA - All Revenue Items

Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate/ Poverty Rating
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Savings

Housing - HRA

S3773	Net reduction in contract costs for cyclical maintenance activity across the housing stock	0	(26,200)	(26,200)	(26,200)	(26,200)	John Horwood	Nil
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An exercise to tender and re-procure a number of cyclical maintenance contracts (mechanical heating, electrical inspections, lift inspections, fire safety inspections, etc) has resulted in the ability to reduce budgets in this area by a net sum of £26,200. 4.4

S3775	Reduction in operational costs for the Independent Living Service	0	(7,800)	(7,800)	(7,800)	(7,800)	Frances Swann	Nil
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A review of prior year expenditure has resulted in this proposal to reduce budgets for office running costs and operational overheads. 4.2

Total Savings in Housing - HRA	0	(34,000)	(34,000)	(34,000)	(34,000)
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Total Savings	0	(34,000)	(34,000)	(34,000)	(34,000)
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Increased Income

Housing - HRA

I13811	Increase in service charge income for the HRA	0	(34,000)	(34,000)	(34,000)	(34,000)	Julia Hovells	Nil
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Increase in service charge income for the HRA due to an increase in Temporary Accommodation units and a reduction in void activity. 9

Total Increased Income in Housing - HRA	0	(34,000)	(34,000)	(34,000)	(34,000)
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Total Increased Income	0	(34,000)	(34,000)	(34,000)	(34,000)
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Unavoidable Revenue Pressure

Housing - HRA

URP3774	Bid to meet the statutory annual subscription to the Housing Ombudsman Service	0	7,000	7,000	7,000	7,000	Julia Hovells	Nil
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Bid to meet the statutory annual subscription to the Housing Ombudsman Service, where costs for years 1 and 2 were met from underspending in other budgets. n/a

URP3776	Net increase in salary costs based upon staff currently in post	0	7,300	7,300	7,300	7,300	Julia Hovells	Nil
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HRA General, Special and Repairs unavoidable bid to meet the net increase in salary costs based upon staff currently in post. 4.2

URP3810 **Unavoidable bid to meet an anticipated decrease in commercial property rental Income** 0 32,400 32,400 32,400 32,400 Julia Hovells Nil

This bid is required to meet an anticipated reduction in commercial property rental income due to a degree of difficulty in letting some void units coupled with the impact of the recommendation to re-develop a mixed tenure site in Akeman Street. 2.1

URP3838 **Impact of delay in the closure of one area housing office until August 2016** 0 124,390 0 0 0 Robert Hollingsworth Nil

It is not realistic to assume that the closure of one area housing office can be achieved by 1st April 2016, and this bid therefore recognises the reduction in saving that will be achieved in 2016/17, whilst also building in the cost to deliver the change. 3

II3812 **Reduction in dwelling rent for the HRA** 0 113,540 113,540 113,540 113,540 Julia Hovells Nil

Reduction in rental income for the HRA due predominantly to the recommendation to re-develop Anstey Way, thus terminating its use as temporary accommodation once existing residents are relocated. 9

Total Unavoidable Revenue Pressure in Housing - HRA	0	284,630	160,240	160,240	160,240
Total Unavoidable Revenue Pressure	0	284,630	160,240	160,240	160,240

Non-Cash Limit Items

Housing - HRA

NCL3824 **Increased depreciation charge to the HRA** 0 (430) (430) (430) (430) Julia Hovells Nil

An increase in asset valuations and the impact of new build housing result in an anticipated increase in depreciation to be charged to the HRA from 2016/17. n/a

NCL3839 **Net increase in interest receivable by the HRA** 0 (31,230) (31,230) (31,230) (31,230) n/a Nil

A net increase in interest due to the HRA is anticipated in 2016/17 due to an increase in balances held as a result of delays in delivering the new build programme. 5.4

NCL3849 **Office Accommodation Strategy - revenue including set-up** 0 125,000 29,000 0 0 Dave Prinsep +H

The Office Accommodation Strategy rationalises and improves the use of property, creating revenue savings and aims to generate capital receipts. This will be combined with more flexible working practices so staff can work where they are best located. Investment in retained buildings should create a modern working environment and improve facilities for staff. Significant expenditure of circa £3.5m is anticipated. (Linked to budget proposals NCL3764 and NCL3848.)

Total Non-Cash Limit Items in Housing - HRA	0	93,340	(2,660)	(31,660)	(31,660)
Total Non-Cash Limit Items	0	93,340	(2,660)	(31,660)	(31,660)
Report Total	0	309,970	89,580	60,580	60,580

HRA Budget Summary

Appendix E (1)

Area of Income / Expenditure	Description	(Saving Proposal or Increased Income) in 2016/17 Budget (£)	(Saving Proposal or Increased Income) in 2017/18 Budget (£)	(Saving Proposal or Increased Income) in 2018/19 Budget (£)	Comment
HRA 2016/17 Savings Target					
HRA Savings Target - 2016/17	Savings target set to mitigate impact of the 1% rent cut required from April 2016.	1,429,000	1,429,000	1,429,000	Ongoing
HRA Savings Target - 2017/18 and 2018/19	Savings target set at the previous level of 2%	0	113,000	226,000	Ongoing
Total HRA 2016/17 Savings Target		1,429,000	1,542,000	1,655,000	
HRA MFR Revenue Savings Already Approved for 2016/17					
Planned Maintenance	Reduction in planned maintenance (PTR) programme	(400,000)	(400,000)	(400,000)	Ongoing
Responsive and Void Repairs	Reduction in the use of sub-contractors for responsive repair and void works	(200,000)	(200,000)	(200,000)	Ongoing
Responsive and Void Repairs	Increase income generation through in-house responsive and void repairs team, or reduction in costs if this can't be achieved	(100,000)	(150,000)	(200,000)	Increasing by 50,000 in 2017/18 and 2018/19
Responsive Repairs	Removal of response repairs pre-inspection activity	(79,510)	(79,510)	(79,510)	Ongoing
Resident Involvement	Reduction in staffing numbers from 3 to 2 in respect of resident involvement activity, coupled with a reduction of 50% in other spending in this area	(53,780)	(53,780)	(53,780)	Ongoing

City Homes and Area Office Costs	Reduction to only one area office, with resulting reduction in both premises and staffing requirements, coupled with the need to sub-let the south area office in the medium term	(200,490)	(200,490)	(200,490)	Ongoing
Under-Occupation Scheme	Reduction in funding for the Under Occupation Incentive Scheme, with residual budget held to be returned to that originally approved	(40,000)	(40,000)	(40,000)	Ongoing
City Homes	Cessation of quarterly rent statements, recognising that routine arrears activity will continue for those in rent arrears	(12,360)	(12,360)	(12,360)	Ongoing
Strategic Housing	Transfer of one Housing Head of Service to the new Housing Development Agency	(43,120)	(43,120)	(43,120)	Ongoing and delivered in full in 2016/17
IT Costs	Reduction of budget for Orchard Housing Management System, recognising that not all modules previously held are still required	(15,000)	(15,000)	(15,000)	Ongoing
HRA Overheads	Cessation of annual Housemark subscription, with the intention to benchmark ourselves with other comparable authorities	(8,000)	(8,000)	(8,000)	Ongoing
HRA General	Removal of additions to pay budgets in all office based areas	(11,730)	(11,730)	(11,730)	Ongoing
HRA General	50% cut in professional training budgets across the HRA as a whole	(6,600)	(6,600)	(6,600)	Ongoing
HRA General	Remove recruitment costs budgets	(5,950)	(5,950)	(5,950)	Ongoing
Housing Options	Reduction in staffing in the Housing Options Team	(18,720)	(18,720)	(18,720)	Ongoing
Debt Management Costs	Recognising that there will be no need to obtain external borrowing advice in the current financial climate, the provision for additional debt management costs will be removed	(21,180)	(21,180)	(21,180)	Ongoing
Total HRA MFR Revenue Savings Already Approved for 2016/17		(1,216,440)	(1,266,440)	(1,316,440)	
HRA MFR Capital Savings Already Approved for 2016/17					

Capitalised Staff Fees	Reduction in staffing input into the HRA capital investment programme, recognising a reduced level of activity in the future	(35,800)	(35,800)	(35,800)	Ongoing and delivered in full in 2016/17
Estate Investment	Removal of discretionary budget for demand led investment in the wider housing estate	(200,000)	(200,000)	(200,000)	Ongoing
Long Term Vacants	Removal of allocation for bringing back long-term vacant homes in the private sector into use	(20,000)	(20,000)	(20,000)	Ongoing
Total HRA MFR Capital Savings Already Approved for 2016/17		(255,800)	(255,800)	(255,800)	
New Savings Proposals for 2016/17 BSR					
Cyclical Maintenance	Net savings in annual inspection and maintenance contracts following re-procurement of services	(26,200)	(26,200)	(26,200)	Ongoing
Independent Living Services	Reduction in operational budgets for the Independent Living Service based upon prior year activity	(7,800)	(7,800)	(7,800)	Ongoing
Total New Savings Proposals for 2016/17 BSR		(34,000)	(34,000)	(34,000)	
New Increased Income Proposals for 2016/17 BSR					
Service Charges	Increase in service charge income due to an increase in temporary accommodation supply	(34,000)	(34,000)	(34,000)	Ongoing
Total New Savings Proposals for 2016/17 BSR		(34,000)	(34,000)	(34,000)	
New Unavoidable Revenue Pressure Proposals for 2016/17 BSR					
HRA General, Special and Repairs	Net increase in salary costs based upon staff currently in post	7,300	7,300	7,300	Ongoing
HRA Overheads	Need to meet statutory annual subscription to the Housing Ombudsman Service, where costs for years 1 and 2 were met from underspending in other budgets	7,000	7,000	7,000	Ongoing

Commercial Property	Reduction in commercial property income due to hard to let void units and decision to re-develop Akeman Street	32,400	32,400	32,400	Ongoing
City Homes and Area Office Costs	One-off cost of the impact of the decision to close one area office not being realised until August 2016, to also include the one-off cost of change	124,390	0	0	One-Off
Dwelling Rent	Reduced rental income due to the re-development of the Anstey Way site. A higher level of income will be realised from 2020/21 once the scheme is complete	113,540	113,540	113,540	Ongoing
Total Unavoidable Revenue Pressure Proposals for 2016/17 BSR		284,630	160,240	160,240	
Cash Limit Adjustments for 2016/17 BSR					
Depreciation	Increase in depreciation due to revised asset values and delivery of new build housing	(430)	(430)	(430)	Ongoing
Interest Paid and Received	Increase in net interest received by the HRA	(31,230)	(31,230)	(31,230)	Ongoing
Office Accommodation Strategy	The HRA will bear a share of the revenue set up costs relating to the administrative building changes proposed as part of the Office Accommodation Strategy	125,000	29,000	0	One-Off Costs
Total Cash Limit Adjustments 2016/17 BSR		93,340	(2,660)	(31,660)	
Total Net Position for the HRA for 2016/17		(1,162,270)	(1,432,660)	(1,511,660)	
Under /(Over) Achievement against HRA Savings Target in 2016/17 and Ongoing		266,730	109,340	143,340	

HRA BSR Note

The table above identifies savings that have already been approved as part of the HRA MFR, and any subsequent savings, unavoidable revenue pressures and bids that have been identified by cost centre managers at this stage in the budget preparation process. Any cash limit adjustments have also been incorporated.

Appendix E (2)

2016/17 Capital Budget Amendments Summary

Area of Expenditure and Change	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Total Housing Capital Plan Expenditure pre HRA MFR	43,560	30,948	13,081	9,212	13,121
Reduction in budget for central heating / boiler replacements					
Reduction in budget for roof structure works	-100	0	0	0	0
Reduction in budget for communal area investment	-100	0	0	0	0
Reduction in budget for garage improvements	-90	0	0	0	0
Reduction in budget for asbestos removal	-100	0	0	0	0
Reduction in budget for fire safety works	-120	0	0	0	0
Re-profiling of budget for roof covering works	-320	320	0	0	0
Re-profiling of budget for bathroom replacements	-250	250	0	0	0
Re-profiling of budget for sulphate works	-102	0	0	0	0
Change in planned maintenance contractor overheads	0	63	0	0	0
Change in budget for decent homes works to new build dwellings	-50	-97	7	22	39
Reduction in budget for central heating / boiler replacements	-300	0	0	0	0
New Build					
2011-15 Programme savings at unconditional contract stage	-78	0	0	0	0
Re-phasing of spend for Homerton	-645	645	0	0	0
Re-phasing of 2015/16 Garage Site investment	-650	650	0	0	0
Inclusion of resource for Anstey Way mixed tenure development	0	0	1,309	1,855	2,400
Inclusion of resource for Akeman Street mixed tenure re-development	0	163	1,823	0	0
Re-phasing of, and addition of budget for, new build required to utilise retained RTB receipts	-3,781	3,398	1,622	0	0
Other HRA Capital Spend					
Incorporation of scheme for relocation of staff to a single area housing office	0	14	0	0	0
Inflation Allowance					
Adjustment in inflation allowed as spend changes	0	64	160	138	246
Total Housing Capital Plan Expenditure per HRA BSR	36,874	36,418	18,002	11,227	15,806

New Build Investment Cashflow

Appendix H

New Build / Re-Development Scheme	Prior Year Actuals	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget
	£'0	£'0	£'0	£'0	£'0	£'0	£'0
New Build / Re-Development Cash Expenditure (Net of Developer's Cross Subsidy / Notional Land Value)							
Jane's Court	1,244,619	0	0	0	0	0	0
Latimer Close	1,598,289	0	0	0	0	0	0
Barnwell Road	682,040	385,000	0	0	0	0	0
Campkin Road (Phase 1)	1,832,571	884,330	0	0	0	0	0
Colville Road (Phase 1)	572,138	921,450	0	0	0	0	0
Water Lane	413,140	728,320	0	0	0	0	0
Aylesborough Close	1,161,408	1,636,590	0	0	0	0	0
Stanesfield Road	574,133	0	0	0	0	0	0
Wadloes Road	21,006	749,000	0	0	0	0	0
Atkins Close (Garage Site)	355,145	233,000	0	0	0	0	0
Hawkins Road (Garage Site)	5,253	1,408,470	0	0	0	0	0
Fulbourn Road (Garage Site)	4,899	1,315,640	0	0	0	0	0
Ekin Road (Garage Site)	4,116	1,087,630	0	0	0	0	0
Market Housing on Re-Development Sites	1,939,500	954,750	0	0	0	0	0
Market Acquisitions	0	435,000	0	0	0	0	0
Anstey Way Prototype	68,860	0	0	0	0	0	0
Clay Farm	13,966	2,315,290	11,495,470	2,380,050	0	0	0
Homerton	0	4,260,600	2,746,960	0	0	0	0
Garage Sites 2015/16	0	100,000	2,900,030	0	0	0	0

New Build / Re-Development Scheme	Prior Year Actuals	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget
	£'0	£'0	£'0	£'0	£'0	£'0	£'0
Anstey Way (Land Assembly Only)	0	426,670	853,330	0	0	0	0
Anstey Way (Ear-Marked Funds)	0	0	0	1,309,360	1,854,920	2,400,480	0
Akeman Street	0	0	162,830	1,822,680	0	0	0
New Build – + RTB Receipts	0	0	3,942,010	1,622,350	0	0	0
New Build – HRA Surpluses	0	0	0	0	0	0	0
New Build / Re-Development Expenditure equivalent to Notional Land Value							
Spend Equivalent to Land Value	7,392,839	3,193,656	0	0	0	0	0
Total New Build/ Re-Development Expenditure	17,883,922	21,035,396	22,100,630	7,134,440	1,854,920	2,400,480	0
New Build / Re-Development Grant and Area Committee Funding							
Jane's Court	(354,460)	0	0	0	0	0	0
Latimer Close	(212,676)	0	0	0	0	0	0
Barnwell Road	(106,340)	(106,338)	0	0	0	0	0
Campkin Road (Phase 1)	(265,845)	(88,610)	0	0	0	0	0
Colville Road (Phase 1)	(168,369)	(168,370)	0	0	0	0	0
Stanesfield Road (Incl. Area Committee Grant)	(170,892)	0	0	0	0	0	0
Atkins Close (Garage Site)	(106,338)	(35,450)	0	0	0	0	0
Water Lane	0	(175,000)	(175,000)	0	0	0	0
Aylesborough Close	0	(500,000)	0	0	0	0	0
Clay Farm	0	(194,250)	0	(194,250)	0	0	0
Total New Build / Re-Development Funding	(1,384,920)	(1,268,018)	(175,000)	(194,250)	0	0	0
Retained Right to Buy Funding							

New Build / Re-Development Scheme	Prior Year Actuals	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	2020/21 Budget
	£'0	£'0	£'0	£'0	£'0	£'0	£'0
Wadloes Road	(54,160)	(265,630)	0	0	0	0	0
Atkins Close (Garage Site)	0	0	0	0	0	0	0
Hawkins Road (Garage Site)	(1,580)	(422,540)	0	0	0	0	0
Fulbourn Road (Garage Site)	(1,470)	(394,690)	0	0	0	0	0
Ekin Road (Garage Site)	(1,230)	(326,290)	0	0	0	0	0
Market Housing on Re-Development Sites	(581,850)	(286,500)	0	0	0	0	0
Market Acquisitions	(68,280)	(118,030)	0	0	0	0	0
Anstey Way Prototype	(20,660)	0	0	0	0	0	0
Clay Farm	(3,140)	(511,410)	(2,539,180)	(525,720)	0	0	0
Homerton	0	(948,330)	(611,430)	0	0	0	0
Garage Sites 2015/16	0	(30,000)	(870,010)	0	0	0	0
Akeman Street	0	0	(29,310)	(328,080)	0	0	0
New Build – With RTB Receipts	0	0	(1,182,600)	(486,710)	0	0	0
Total Retained Right to Buy Funding	(732,370)	(3,303,420)	(5,232,530)	(1,340,510)	0	0	0
Total to be funded from HRA Resources (DRF & MRR), Sales Receipts and Non-RTB Capital Receipts	15,766,632	16,463,958	16,693,100	5,599,680	1,854,920	2,400,480	0
Total HRA Borrowing	0	0	0	0	0	0	0

HRA Summary 2015/16 to 2020/21

Appendix J

Description	2015/16 £0	2016/17 £0	2017/18 £0	2018/19 £0	2019/20 £0	2020/21 £0
Income						
Rental Income (Dwellings)	(37,185,810)	(36,781,170)	(36,481,890)	(35,852,310)	(34,953,400)	(35,336,810)
Rental Income (Other)	(1,096,480)	(1,086,020)	(1,107,740)	(1,129,900)	(1,152,490)	(1,175,540)
Service Charges	(2,447,980)	(2,573,880)	(2,643,340)	(2,691,860)	(2,741,350)	(2,791,840)
Contribution towards Expenditure	(3,210)	(3,270)	(3,340)	(3,400)	(3,470)	(3,540)
Other Income	(455,090)	(443,400)	(431,060)	(418,060)	(426,420)	(434,950)
Total Income	(41,188,570)	(40,887,740)	(40,667,370)	(40,095,530)	(39,277,130)	(39,742,680)
Expenditure						
Supervision & Management - General	3,370,810	3,571,980	3,749,010	3,908,420	4,163,070	4,491,560
Supervision & Management - Special	2,507,580	2,566,540	2,625,630	2,686,120	2,748,050	2,825,550
Repairs & Maintenance	6,855,150	6,287,430	6,467,560	6,664,740	6,871,040	7,117,960
Depreciation – t/f to Major Repairs Res.	11,444,060	11,626,690	11,969,800	12,337,780	12,724,140	13,114,220
Debt Management Expenditure	21,180	0	0	0	0	0
Other Expenditure	3,304,280	3,399,470	3,463,000	3,524,160	3,583,830	3,659,490
Total Expenditure	27,503,060	27,452,110	28,275,000	29,121,220	30,090,130	31,208,780
Net Cost of HRA Services	(13,685,510)	(13,435,630)	(12,392,370)	(10,974,310)	(9,187,000)	(8,533,900)
HRA Share of operating income and expenditure included in Whole Authority I&E Account						
Interest Receivable	(327,500)	(303,570)	(393,810)	(480,510)	(506,840)	(480,400)
HRA (Surplus) / Deficit for the Year	(14,013,010)	(13,739,200)	(12,786,180)	(11,454,820)	(9,693,840)	(9,014,300)
Items not in the HRA Income and Expenditure Account but in the movement on HRA balance						
Loan Interest	7,541,290	7,541,290	7,541,290	7,541,290	7,541,290	7,541,290
Housing Set Aside	0	0	5,189,380	3,883,060	2,111,410	1,428,770
Appropriation from Ear-Marked Reserve	0	(13,200)	0	0	0	0

Depreciation Adjustment	(3,285,420)	(3,177,620)	0	0	0	0
Direct Revenue Financing of Capital	20,191,440	11,238,900	32,070	0	0	0
(Surplus) / Deficit for Year	10,434,300	1,850,170	(23,440)	(30,470)	(41,140)	(44,240)
Balance b/f	(15,164,833)	(4,730,533)	(2,880,363)	(2,903,803)	(2,934,273)	(2,975,413)
Total Balance c/f	(4,730,533)	(2,880,363)	(2,903,803)	(2,934,273)	(2,975,413)	(3,019,653)

Housing Capital Investment Plan

Appendix K

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
General Fund Housing Capital Spend						
Disabled Facilities Grants	550	550	550	550	550	550
Private Sector Housing Grants and Loans	195	195	195	195	195	195
Choice Based Letting IT System	30	0	0	0	0	0
Total General Fund Housing Capital Spend	775	745	745	745	745	745
HRA Capital Spend						
Decent Homes						
Kitchens	898	236	206	190	655	640
Bathrooms	475	541	225	255	201	986
Central Heating / Boilers	1,786	1,105	1,660	544	2,586	3,536
Insulation / Energy Efficiency	100	100	100	100	100	100
External Doors	435	128	109	54	52	291
PVCU Windows	0	0	0	0	0	6
Wall Structure	220	119	142	140	134	254
Wall Finishes	349	227	202	174	383	74
Wall Insulation	100	100	100	100	100	100
External Painting	0	0	0	0	0	300
Roof Structure	700	322	300	300	300	300
Roof Covering	716	662	334	334	334	334
Chimneys	2	13	1	0	1	0
Electrical / Wiring	243	497	561	293	555	932
Smoke Detectors	109	116	116	116	116	116

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Sulphate Attacks	0	102	102	102	102	102
Major Voids / Major Works	108	0	0	0	0	0
HHSRS Contingency	150	100	100	100	100	100
Other Health and Safety Works	150	50	50	50	50	50
Other External Works	5	0	0	0	0	0
Capitalised Officer Fees - Decent Homes	341	323	305	305	305	305
External Professional Fees	17	17	17	17	17	17
Decent Homes Backlog	0	0	0	0	0	0
Decent Homes Planned Maintenance Contractor Overheads	680	486	474	314	635	904
Decent Homes New Build Allocation	19	106	217	237	258	263
Total Decent Homes	7,603	5,350	5,321	3,725	6,984	9,710
Other Spend on HRA Stock						
Garage Improvements	698	788	100	100	100	100
Asbestos Removal	100	100	50	50	50	50
Disabled Adaptations	878	878	878	878	878	878
Tenants Incentive Scheme	21	0	0	0	0	0
Communal Areas Uplift	19	396	346	346	346	346
Fire Prevention / Fire Safety Works	310	100	100	100	100	100
Hard surfacing on HRA Land - Health and Safety Works	380	250	250	250	250	250
Hard surfacing on HRA Land - Recycling	0	142	0	0	0	0
Communal Areas Floor Coverings	100	100	100	100	100	100
Lifts and Door Entry Systems	176	13	13	13	13	13
Fencing	327	200	200	200	200	200

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Reduction in Discretionary Investment	0	-100	-100	-100	-100	-100
Capitalised Officer Fees - Other HRA Stock Spend	114	114	114	114	114	114
Other Spend on HRA Stock Planned Maintenance Contractor Overheads	330	315	213	213	213	213
Total Other Spend on HRA stock	3,453	3,296	2,264	2,264	2,264	2,264
HRA New Build / Re-Development / Acquisition						
Roman Court	14	0	0	0	0	0
3 Year Affordable Housing Programme	9,349	0	0	0	0	0
3 Year Affordable Housing Programme (Notional Spend - Land Value)	3,194	0	0	0	0	0
Market Housing on HRA Sites	955	0	0	0	0	0
New Build - Clay Farm	2,315	11,496	2,380	0	0	0
New Build - Homerton	4,260	2,747	0	0	0	0
Re-Development - Anstey Way (Land Assembly Only)	427	853	0	0	0	0
Anstey Way - Earmarked Resource towards Re-Development	0	0	1,309	1,855	2,400	0
2015/16 Garage Sites	100	2,900	0	0	0	0
Akeman Street	0	163	1,823	0	0	0
New Build or Acquisition - Unallocated Retained RTB Receipt Investment	0	3,942	1,622	0	0	0
Right of First Refusal Buy Back	435	0	0	0	0	0
New Build - Investment of HRA Surpluses	0	0	0	0	0	0
Total HRA New Build / Acquisition	21,049	22,101	7,134	1,855	2,400	0

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
City Homes Estate Improvement Programme						
City Homes Estate Improvement Programme	250	0	0	0	0	0
Total City Homes Estate Improvement Programme	250	0	0	0	0	0
Sheltered Housing Capital Investment						
Ditchburn Place	1,900	2,408	0	0	0	0
Total Sheltered Housing Capital Investment	1,900	2,408	0	0	0	0
Other HRA Capital Spend						
Orchard Upgrade / Mobile Working	39	0	0	0	0	0
Cambridge Public Sector Network	29	0	0	0	0	0
Air Cooling Systems in Area Offices	11	0	0	0	0	0
Shared Ownership Repurchase	300	300	300	300	300	300
Commercial and Administrative Property	190	44	30	30	30	30
Total Other HRA Capital Spend	569	344	330	330	330	330
Total HRA Capital Spend	34,824	33,499	15,049	8,174	11,978	12,304
Total Housing Capital Spend at Base Year Prices	35,599	34,244	15,794	8,919	12,723	13,049
Inflation Allowance and Stock Reduction Adjustment for Future Years	1,275	2,174	2,208	2,308	3,083	3,404
Total Inflated Housing Capital Spend	36,874	36,418	18,002	11,227	15,806	16,453
Housing Capital Resources						

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Right to Buy Receipts	(516)	(522)	(527)	(532)	(537)	(543)
Other Capital Receipts (Land and Dwellings)	0	0	(776)	0	(4,113)	0
Notional Land Receipts (New Build Schemes)	(3,194)	0	0	0	0	0
Major Repairs Reserve	(7,499)	(9,449)	(10,787)	(10,124)	(10,585)	(15,339)
Direct Revenue Financing of Capital	(20,191)	(11,239)	(32)	0	0	0
Other Capital Resources (Grants / Shared Ownership / R&R Funding)	(1,868)	(2,484)	(2,855)	(300)	(300)	(300)
Retained Right to Buy Receipts	(3,303)	(5,233)	(1,341)	0	0	0
Disabled Facilities Grant	(303)	(271)	(271)	(271)	(271)	(271)
Prudential Borrowing	0	0	0	0	0	0
Total Housing Capital Resources	(36,874)	(29,198)	(16,589)	(11,227)	(15,806)	(16,453)
Net (Surplus) / Deficit of Resources	(0)	7,220	1,413	0	0	0
Capital Balances b/f	(8,634)	(8,634)	(1,414)	(0)	(0)	(0)
Use of / (Contribution to) Balances in Year	(0)	7,220	1,413	0	0	0
Capital Balances c/f	(8,634)	(1,414)	(0)	(0)	(0)	(0)

The inflationary element of the decent homes spend for 2015/16 was held for allocation against the decent homes elements of the planned maintenance programme once task orders with the new planned maintenance contract were issued. If not required in full at year end, the resource will be set-aside with other savings in 2015/16 towards the resource required to re-develop the Anstey Way site.

Description	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£'000	£'000	£'000	£'000	£'000	£'000
Other Capital Balances (Opening Balance 1/4/2015)						
Major Repairs Reserve	(2,220)					
Retained 1-4-1 Right to Buy Receipts	(8,457)					
Right to Buy Receipts for Debt Redemption	(3,999)					
Total Other Capital Balances	(14,676)					