

Appendix 3 – HRA Non-Staff Budget Proposals

Cost Pressures – Increase in Expenditure

Service	Revised Budget 22/23	2023-24 Permanent Growth	2023-24 One-off Growth	Description
Corporate Management Contribution	1,240,000	193,803		Increase in corporate management fee to reflect increased costs of management with the General Fund
LGPS Lump Sum	0	52,320		Lump sum contribution to HRA employee pensions, formerly recharged from the General Fund
Electricity	38,500	18,000		The increase in the cost for electricity reflects the sharp rise in energy prices. We expect this charge to be passed on to tenants via service charges.
Computer Software	65,200	45,200		Orchard and Asset Management have been transferred to MRI for hosting and day to day management of the systems. Historic budgets had not increased to reflect annual management and hosting charges. A budget of (£45k) is required.
Compensation	0	10,000		Guidance and regulation require social landlords to pay compensation for service failures. A budget of (£10k) is required to accommodate the current level of complaints received.
Repairs & Maintenance	860,000	165,100		The increase in costs are predominantly due to forecast increase in Contractor and Supplier costs. Schedule of Rates (SOR), the basis for which repairs costs are charged, are estimated to increase by 14%, according to the National Housing Federation.
Interest Charge			34,082	Increase in interest charges.

Savings – Reduction in Expenditure

Service	Revised Budget 22/23	2023-24 Savings Plan	2023-24 One-off Growth	Description
De-minimus savings		(7,300)		

Savings – Increase in Income

Service	Revised Budget 22/23	2023-24 Savings Plan	2023-24 One-off Growth	Description
Rents - Dwellings	(5,086,000)	(356,020)		This budgetary increase is based on the anticipation that a rent cap of 7% will be applied for 2023-24 and that Members support this.
Service Charges for Lease Held Flats	(24,900)	(1,743)		This budgetary increase is based on the anticipation that a rent cap of 7% will be applied for 2023-24 and that Members support this.
Rents - Shop	(16,900)	(1,183)		This budgetary increase is based on the anticipation that a rent cap of 7% will be applied for 2023-24 and that Members support this.