



Hull
City Council

Housing Revenue Account - Budget Annexes

2017/2018

08 February 2017

Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

<u>Annex</u>	<u>Page</u>
1 HRA Revenue Budget	4
2 Reconciliation of significant changes in year	5
3 Significant savings assumed to date	6
4 HRA Capital	7
5 HRA Reserves	9
6 Sensitivity Analyses	10
7 Debt & borrowing analysis	11
(a) HRA Debt Cap	
(b) HRA Borrowing	
(c) Debt Maturity by years	
8 HRA Capital Receipts	12
available for general use	
available for new build only	
9 HRA Revenue Budget - detailed breakdowns	13
Analysis of HRA spend	
Analysis of housing management costs	
Source of variable spend	
10 HRA Repairs & Maintenance Budget - further analysis	15
11 Supervision & Management Budget - further analysis	17
12 Special Services Budget - further analysis	18
13 Rent rates & other taxes Budget - further analysis	19
14 HRA Capital Budget - further analysis	20
(a) New Build	
(b) Cladding	
(c) total committed regen spend	
(d) potential spend - subject to grant/affordability	
15 Analyses of staff charged to HRA (capital & revenue)	21
16 Properties	22
(a) Breakdown of stock at 1 April 2016	
(b) Open Market value of stock at 1 April 2016	
(c) Average value by range	
17 Projected changes in dwelling stock by year	23
(a) overall movement	

Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

<u>Annex</u>	<u>Page</u>
(b) right to buy sales (c) sales of high value properties (d) Property Voids (e) Historic property numbers and trends	
18 Rent & rent arrears	25
(a) Rent per week (b) Change in budgeted rents (c) Rent Arrears - trends (d) Universal Credit - impact to date (e) Bedroom Tax (f) Expectations of bad debts	
19 Service Charges	27
20 Budget changes 17/18 - summary	29
21 Budget changes 17/18 - repairs & maintenance	30
22 Budget changes 17/18 - management costs	31
(a) supervision & management (b) special services (c) rent, rates & other taxes (d) Corporate & Democratic Core	
23 Budget changes 17/18 - recharges	32
(a) supervision & management (b) special services (c) KWL Overheads	
24 House Mark data	33
(a) HouseMark Core Benchmarking data - compared to all (b) HouseMark Core Benchmarking data - compared to orgns with >15k units (c) HouseMark Core Benchmarking data - property data compared to all	
25 Risk Register	38
	<hr/>
	43

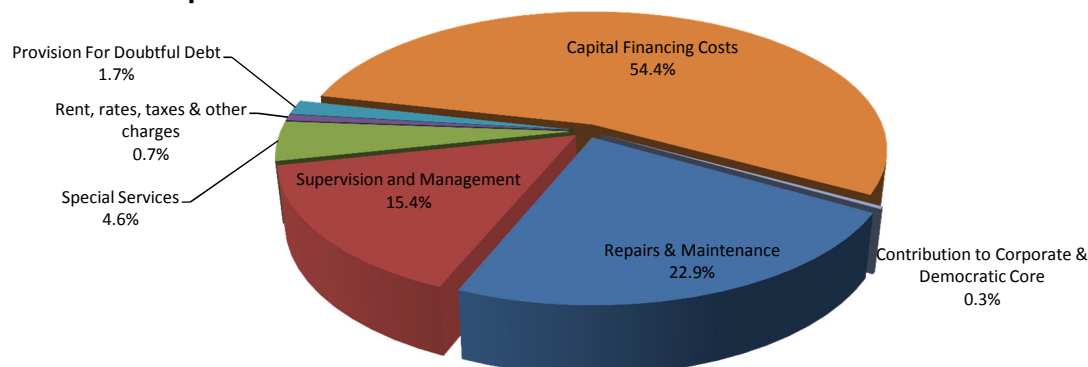
Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

HRA Revenue Budget

Annex 1

	<u>Current Budget 2016/17 £'000</u>	<u>Proposed Budget 2017/18 £'000</u>	<u>change £'000</u>	<u>%age</u>	<u>Annex</u>
INCOME					
Dwelling Rent Income	90,444	90,240	(205)	-0.2%	18
Charges for service and facilities	2,556	2,647	91	3.6%	19
Non dwelling rents	1,277	1,237	(39)	-3.1%	19
Leaseholders charges for services	259	259	0	0.0%	
Other fees & charges	246	358	112	45.5%	
Interest on balances	269	32	(238)	-88.3%	
General Fund Transfer re Whole Community	738	673	(65)	-8.8%	
TOTAL INCOME	95,789	95,445	(344)	-0.4%	2
EXPENDITURE					
Repairs & Maintenance	22,431	22,427	(4)	0.0%	10, 21
Supervision and Management	15,187	15,053	(134)	-0.9%	11, 22
Special Services	4,562	4,484	(78)	-1.7%	12, 22
Rent, rates, taxes & other charges	740	726	(14)	-1.9%	13, 22
Provision For Doubtful Debt	1,947	1,639	(307)	-15.8%	18
Capital Financing Costs	54,721	53,319	(1,402)	-2.6%	
Contribution to Corporate & Democratic Core	295	295	0	0.0%	
TOTAL EXPENDITURE	99,882	97,943	(1,939)	-1.9%	2
Net surplus / (deficit)	(4,093)	(2,498)	1,595		

split of revenue expenditure



NB: Supervision and Management breakdown

	<u>Current Budget 2016/17 £'000</u>	<u>Proposed Budget 2017/18 £'000</u>	<u>change £'000</u>	<u>%age</u>	<u>Annex</u>
Area spend	4,887	5,121	234	4.8%	11
All other costs, including recharges	9,890	9,432	(458)	-4.6%	11
Claims against the HRA by tenants & third parties	410	500	90	22.0%	11
	15,187	15,053	(134)	-0.9%	

Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

Reconciliation of significant changes in year

	Income		Expenditure		Annex 2
	£'000	£'000	£'000	£'000	Net
					£'000
Balances per 2016/17 budget		95,789		99,882	(4,093)
<u>Rents & Service charges / R&M etc.</u>					
change in rent levels	(848)		0		
change in property numbers	(172)		(76)		
change in void levels	764		(577)		
		(255)		(653)	397
<u>Costs/(savings) of Government Policy changes</u>					
Pay to Stay	0		(250)		
Sale of Higher Value Properties	0		0		
Welfare reform (inc delay in implementation of Universal Credit)			(13)		
		0		(263)	263
<u>Cost of Council Policy changes</u>					
Council Tax on Voids			177		
		0		177	(177)
<u>Changes in tenant behaviours</u>					
Right to Buy numbers	87		18		
Disrepair			125		
Bad debts			(307)		
		87		(164)	252
<u>Changes in the capital programme & capital financing</u>					
changes in interest rates	(253)		(15)		
Additional / (reduction in) debt repayments due			(1,084)		
Interest savings from previous debt repayments			(576)		
Interest savings from lower than expected borrowing in 16/17 (short term only)			(650)		
Depreciation on dwelling stock			704		
Depreciation on non-dwelling stock			275		
		(253)		(1,346)	1,093
<u>Cost pressures</u>					
Area Housing staffing Review			138		
Maintenance of properties in former Gateway areas			194		
		0		332	(332)
<u>Other changes</u>					
Cessation of paper adverts /impv't in letting times	133		(18)		
Bringing medical priority work in house			(22)		
Non production of annual rent cards			(2)		
DAP properties			(15)		
LD Properties			(11)		
Other staff changes (inc transport)			(154)		
Past Service Pension Contributions			(75)		
Consultants & recruitment costs			(69)		
Grounds maintenance	(3)		(11)		
Property savings			(25)		
Other recharges (inc KWL)			(262)		
Reduced footpath maintenance	(70)		(78)		
Street lighting costs	30		30		
Reduced painting & fencing programmes			(246)		
Change in other R&M costs			(285)		
Transfer of Welbury Grove to MIND	(12)		(12)		
Photovoltaics	(18)				
Communal electric and gas			(111)		
		60		(1,365)	1,426
<u>Housing Review costs</u>					
Temporary project support staff (2 yrs)			137		
Investment in IT systems			100		
Others (inc consultation with tenants)			50		
		0		287	(287)
<u>Restructure costs</u>					
restructure & redundancy costs			1,000		
		0		1,000	(1,000)
General inflationary factors (Pay / Gas / Electric / CTax etc.)		3		156	(153)
		95,431		98,043	(2,612)
Others		14		(100)	114
		95,445		97,943	(2,498)
Net change		344		1,939	(1,595)

Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

Significant savings assumed to date

Annex 3

	<u>FTEs</u>	<u>Value (£'000)</u>
The overall position is now		
total of all savings agreed in last years budget	5.34	923
included in this year proposals		
staff & pensions savings	8.76	229
additional property savings		25
savings on recharges		262
electricity & gas savings		111
R&M savings		619
various small changes highlighted in Annex 2		145
Abandonment of Pay to Stay - The Government decided not to proceed with Pay to Stay in November 2016, the previous budget assuming that there would be a net impact through either Government assumptions being too generous or ineligible costs being incurred		373
Abandonment of Pay to Stay - Reduction in numbers of assumed Right to Buys		1,038
The Area Housing Review, alongside the need to service additional support for tenants affected by Welfare Reform changes (UC now being delayed)) was originally assumed to have a more significant impact than the final position		332
ending of empty properties programme (average over next 10 years)		130
	<u>14.10</u>	<u>4,187</u>
<u>Future Savings assumed</u>		
closure of Information Points		17
exit from Northpoint lease		64
improvement in forecast voids & bad debts		223
changes in capital programme		487
full year effect of savings in 17/18		28
	<u>-</u>	<u>820</u>
<u>Short term costs included in 17/18</u>		
Housing review costs		187
Investment in IT		31
	<u>-</u>	<u>218</u>
Total		<u>5,225</u>
<u>changes in underlying assumptions</u>		
reduced interest rates		250
additional rental income through higher short term inflation		423
less additional cost of R&M		(80)
	<u>-</u>	<u>594</u>
Total		<u>5,819</u>
<u>Savings in last year budget - Capital</u>		
reduction in New Build programme (net of grant)	9,421	471
loss of net income (10 years)		(148)
		<u>323</u>
Further savings required to balance the budget over the medium term		<u>7,500</u>

Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

HRA Capital

Annex 4
Annex

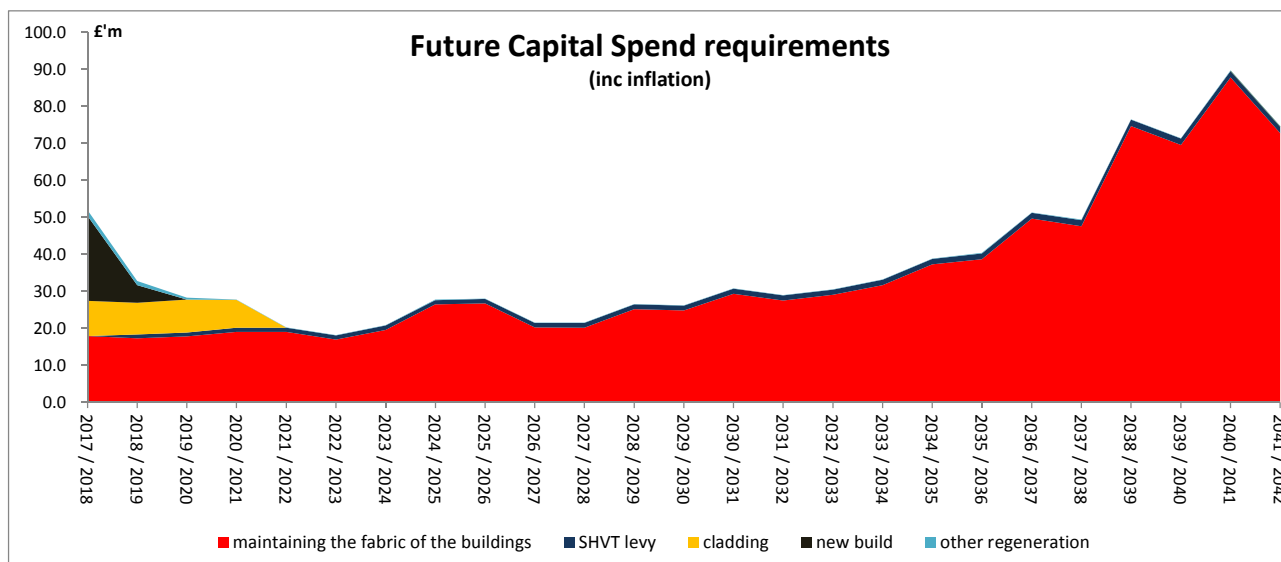
	Current Budget 2016/17 £'000	Proposed Budget 2017/18 £'000	change £'000	%age	
Capital Spend					
Decent Homes	11,709	8,152	(3,557)	-30.4%	
Mechanical & electrical (inc. asbestos)	3,340	3,381	41	1.2%	
KWL overheads	2,250	2,000	(250)	-11.1%	
Others	1,400	1,400	0	0.0%	
Estate environmental	0	0	0		
Council House Adaptations	2,750	2,750	0	0.0%	
Empty Properties	2,900	250	(2,650)	-91.4%	
Regeneration (inc. demolitions)	3,608	1,636	(1,972)	-54.6%	
Base Programme	27,957	19,569	(8,388)	-30.0%	
Cladding	9,411	9,489	78	0.8%	14
New build	10,719	14,602	3,883	36.2%	14
New Build/Empty properties – subject to affordability	0	8,284	8,284		14
Sale of High Value Properties - levy	0	0	0		
TOTAL EXPENDITURE	48,087	51,944	3,857	8.0%	
Capital Financing					
RTB Receipts - new build	640	1,411	770	120.3%	
RTB Receipts - general	2,626	669	(1,957)	-74.5%	
NAHP	3,572	2,206	(1,366)	-38.2%	
HCA grants - indicative	0	4,030	4,030		
ECO	837	602	(235)	-28.1%	
Empty Homes Grant	0	88	88		
LEP (Regional Growth Fund)	1,079	0	(1,079)	-100.0%	
MRA (general)	36,002	39,514	3,512	9.8%	
RCCO	0	0	0		
Borrowing	3,331	3,425	94	2.8%	
	48,087	51,944	3,857	8.0%	

17/18 Capital budget assumed in 16/17 budget report
Change

43,643
8,301 19.0%

Note - these costs are based on decency to be maintained going forward but the programme is essentially a reactive programme taking action where items are failing. Programme delivery at this level would keep properties in a reasonable state of repair but would not meet any aspirational standards and would not prevent further decline in areas that are already showing signs of stress or failure. Failure to replace some elements on a planned basis will also result in pressure on responsive repair budgets. Some essential planned work will also be carried out only to prevent elemental failure, such as boiler replacements.

	13/14	14/15	15/16
Non-decent housing	2.30%	2.33%	1.13%
Properties where DH work has been refused	18.37%	17.00%	15.86%



Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

HRA Capital

Annex 4(2)

projected future spend (inc inflation)

	<u>2017 / 2018</u>	<u>2018 / 2019</u>	<u>2019 / 2020</u>	<u>2020 / 2021</u>	<u>2021 / 2022</u>
<u>Capital Spend</u>					
Decent Homes	8,152	8,268	8,525	9,006	8,715
Mechanical & electrical (inc. asbestos)	3,381	2,808	2,853	3,396	3,449
KWL overheads	2,000	2,050	2,112	2,175	2,229
Others (inc. client costs)	1,400	1,394	1,440	1,501	1,561
Estate environmental	0	0	0	0	0
Council House Adaptations	2,750	2,788	2,875	2,974	3,066
Empty Properties	250	0	0	0	0
Regeneration (inc. demolitions)	1,636	1,083	544	107	111
Base Programme	19,569	18,391	18,349	19,160	19,131
Cladding	9,489	8,603	8,885	7,511	0
New build	14,602	1,155	0	0	0
New Build/Empty properties – subject to affordability	8,284	3,600	0	0	0
Sale of High Value Properties - levy	0	1,000	1,050	1,076	1,103
TOTAL EXPENDITURE	51,944	32,748	28,284	27,747	20,235

No additional regeneration programmes assumed other than those already planned. In reality, should projects stack up financially using any available grant funding that may exist, then new initiatives will be added into the programme as they develop. These are indicative programmes at this stage as detailed programmes will need to be constructed based on need at the time.

Capital Financing

RTB Receipts - new build	1,411	347	0	0	0
RTB Receipts - general	669	1,695	1,775	1,810	1,846
NAHP	2,206	0	0	0	0
HCA grants - indicative	4,030	1,823	0	0	0
ECO	602	400	500	0	0
Empty Homes Grant	88	0	0	0	0
LEP (Regional Growth Fund)	0	0	0	0	0
MRA (general)	39,514	25,619	25,997	25,937	18,389
RCCO	0	0	0	0	0
Borrowing	3,425	2,865	11	0	0
	51,944	32,748	28,284	27,747	20,235

RTB Receipts - general

includes proceeds from voluntary sales of properties to meet the SHVP levy

HRA Reserves

Annex 5

	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021
HRA Reserves	3,000	3,393	3,248	3,236	3,487
Decent Homes Reserve	22,334	21,094	14,871	16,271	4,724
	25,334	24,487	18,119	19,507	8,211
MRA Reserves	14,252	0	0	0	684
	39,586	24,487	18,119	19,507	8,895

notes:

HRA Reserves

This is the minimum reserve level to reflect the inherent financial risks in the HRA.

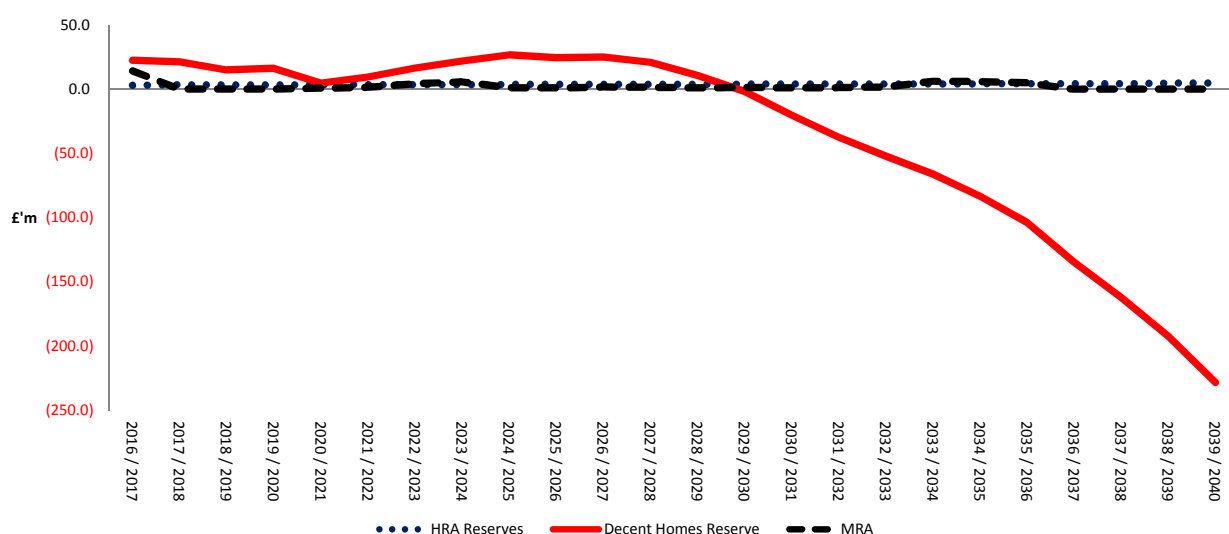
Decent Homes Reserve

Reserves maintained to undertaken replacement of decent homes programme when due.

MRA Reserves

These reserves can only be spent on Capital works.

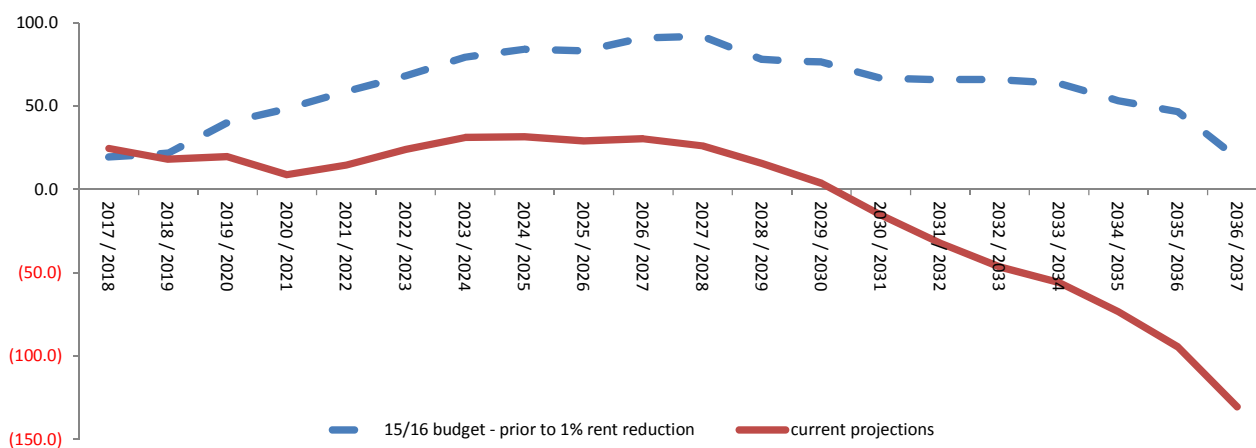
Projected reserves - next 25 years



Change in reserves in recent years

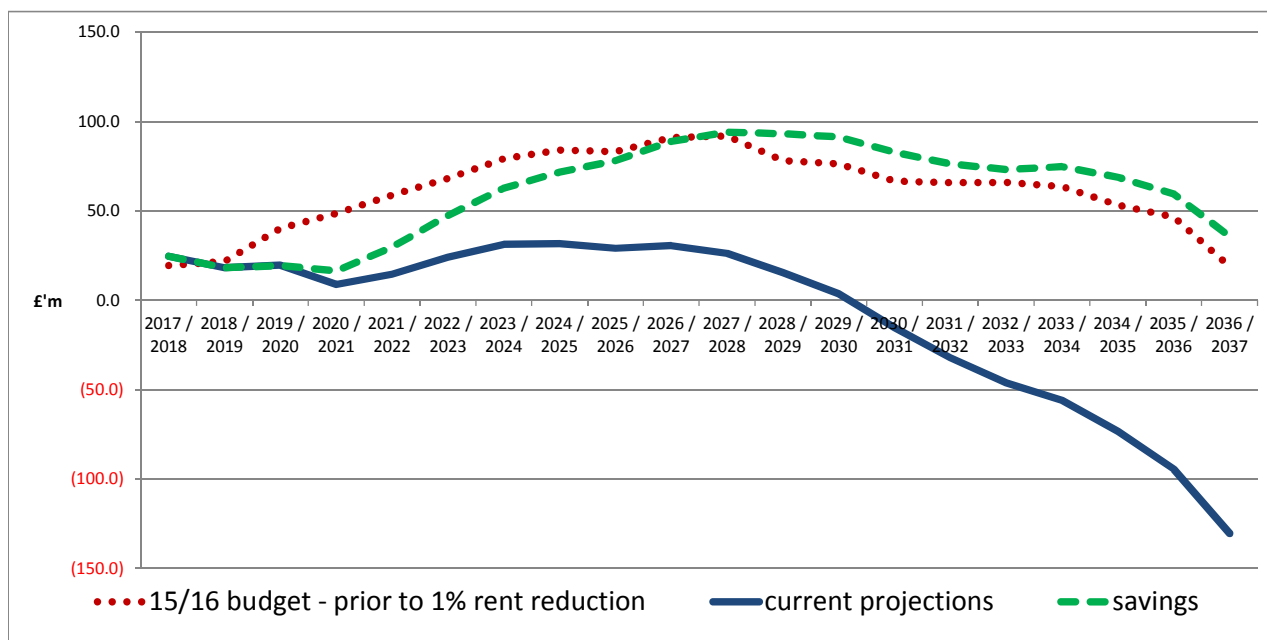
	<u>actual</u> <u>reserves at</u> <u>31/3/14</u> <u>£'000</u>	<u>projected</u> <u>reserves at</u> <u>31/3/17</u> <u>£'000</u>	<u>Increase/</u> <u>(reduction)</u> <u>£'000</u>	<u>%</u>
HRA Reserves	3,000	3,000	0	0.0%
Decent Homes Reserve	36,733	22,334	(14,399)	-39.2%
	39,733	25,334	(14,399)	-36.2%
MRA Reserves	10,862	14,252	3,390	31.2%
	50,595	39,586	(11,009)	-21.8%

the graph below shows the impact that the changes since 2015/16 (notably the change in rents) have made in reserve projections.

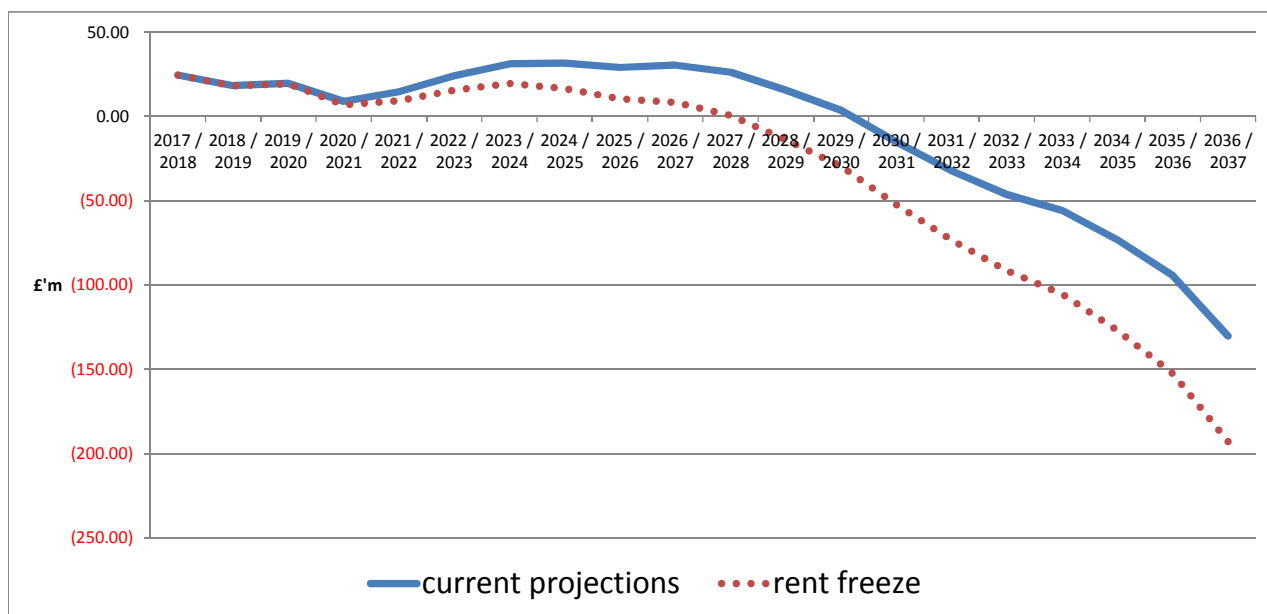


The graph below includes a projection of reserves assuming, from 2020/21, we found **additional annual** savings (or income) of:

7,500



The graph below includes a projection of reserves assuming the Government imposed a **two years rent freeze**:

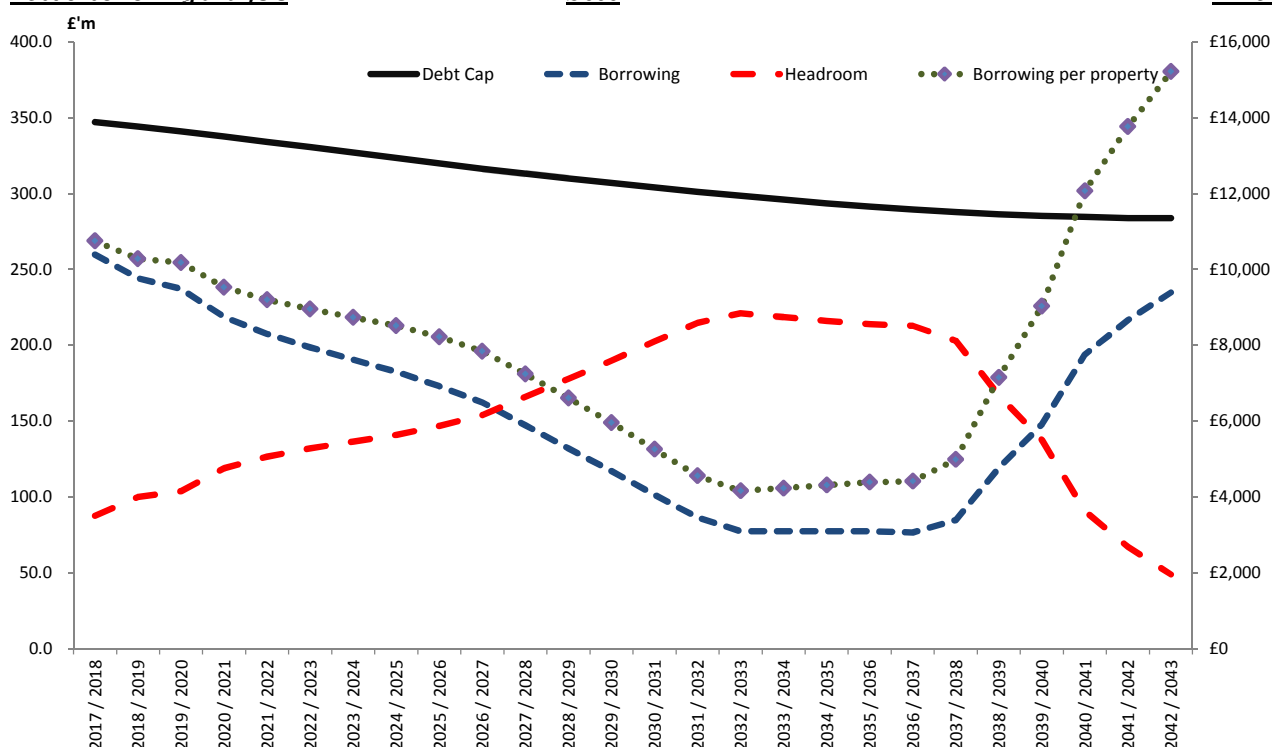


Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

Debt & borrowing analysis

£'000

Annex 7



(a) HRA Debt Cap

Debt cap at end of the year

	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022
	347,139	344,189	340,924	337,578	334,124

(b) HRA Borrowing

PWLB (normal business)
PWLB (RCHF)
Other loans

	2017 / 2018 £'000	2018 / 2019 £'000	2019 / 2020 £'000	2020 / 2021 £'000	2021 / 2022 £'000
PWLB (normal business)	131,696	118,234	111,161	92,543	81,504
PWLB (RCHF)	78,989	78,989	78,989	78,989	78,989
Other loans	48,993	46,993	46,993	46,993	46,993
	259,678	244,216	237,143	218,525	207,486

Borrowing b/f
new borrowing
repaid in year

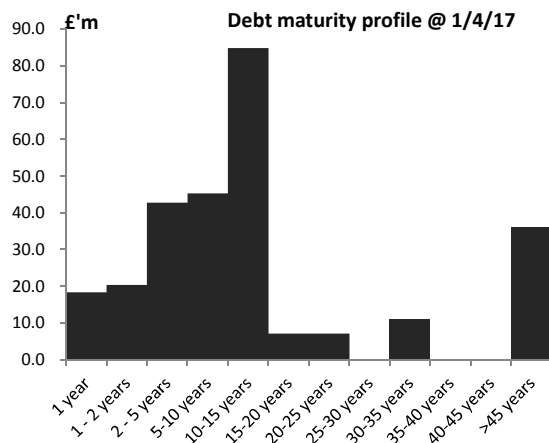
Borrowing b/f	272,612	259,678	244,216	237,143	218,525
new borrowing	5,425	4,865	2,011	2,000	2,000
repaid in year	(18,359)	(20,327)	(9,084)	(20,617)	(13,040)
	259,678	244,216	237,143	218,525	207,486

(c) Debt Maturity by years

1 year
1 - 2 years
2 - 5 years
5-10 years
10-15 years
15-20 years
20-25 years
25-30 years
30-35 years
35-40 years
40-45 years
>45 years

Debt at 1/4/17

	£'000
1 year	18,359
1 - 2 years	20,327
2 - 5 years	42,741
5-10 years	45,270
10-15 years	84,763
15-20 years	7,079
20-25 years	7,079
25-30 years	0
30-35 years	11,014
35-40 years	0
40-45 years	0
>45 years	35,979
	272,612

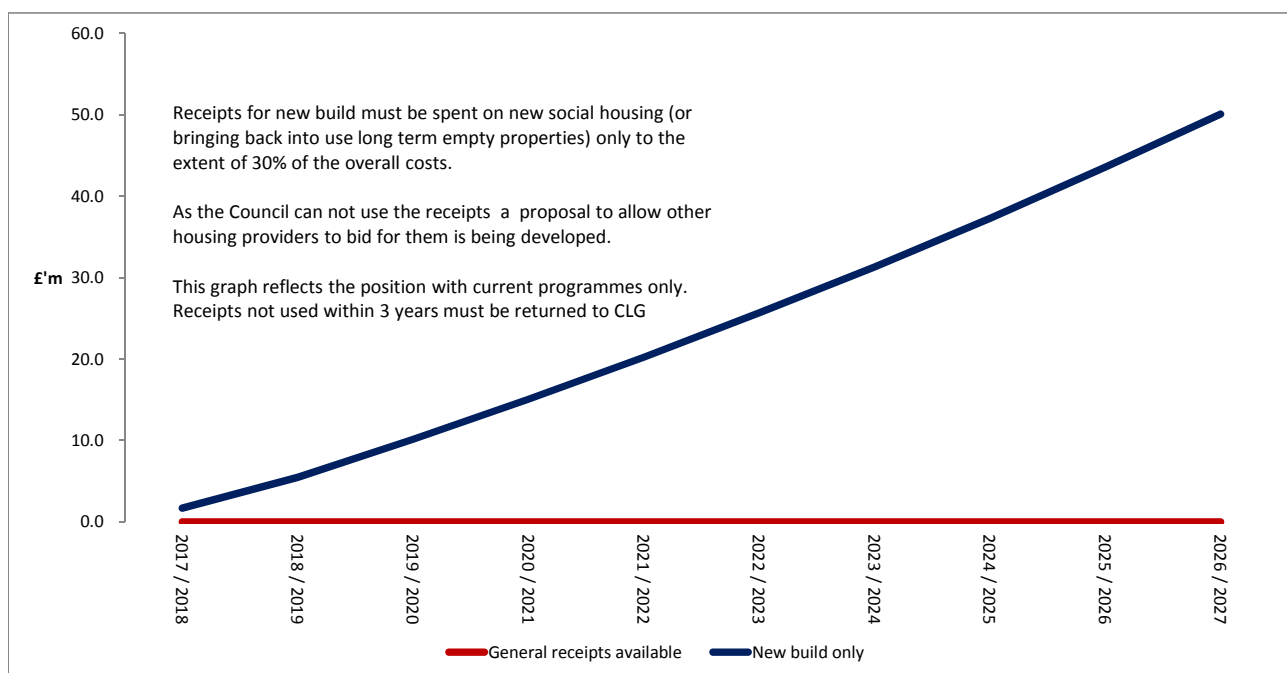


Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

HRA Capital Receipts

Annex 8

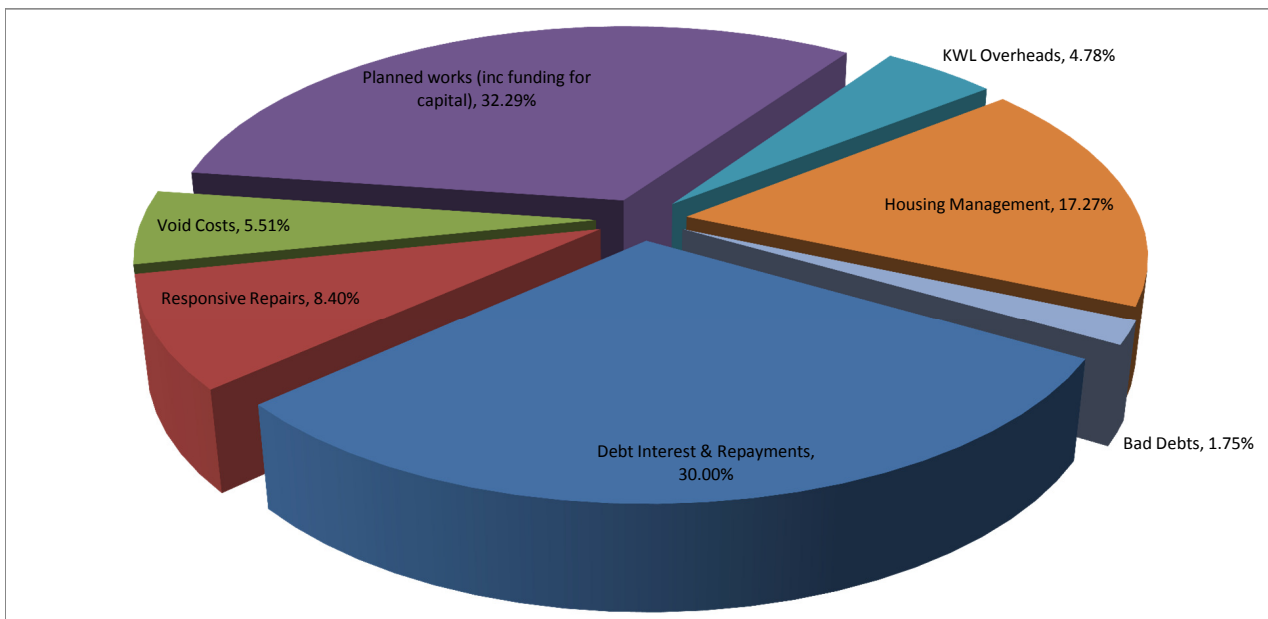
	<u>2017 / 2018</u> <u>£'000</u>	<u>2018 / 2019</u> <u>£'000</u>	<u>2019 / 2020</u> <u>£'000</u>	<u>2020 / 2021</u> <u>£'000</u>	<u>2021 / 2022</u> <u>£'000</u>
available for general use					
available at the start of the year	0	0	0	0	0
generated in year					
- normal receipts	669	676	682	689	696
- sale of Higher Value properties	0	1,019	1,093	1,121	1,149
To fund Cap Ex	(669)	(1,695)	(1,775)	(1,810)	(1,846)
available at the end of the year	0	0	0	0	0
available for new build only					
available at the start of the year	0	1,694	5,482	10,141	15,059
generated in year					
- "additional" receipts	3,105	4,134	4,659	4,918	5,161
To fund Cap Ex	(1,411)	(347)	0	0	0
Returned to CLG?	0	0	0	0	0
available at the end of the year	1,694	5,482	10,141	15,059	20,220



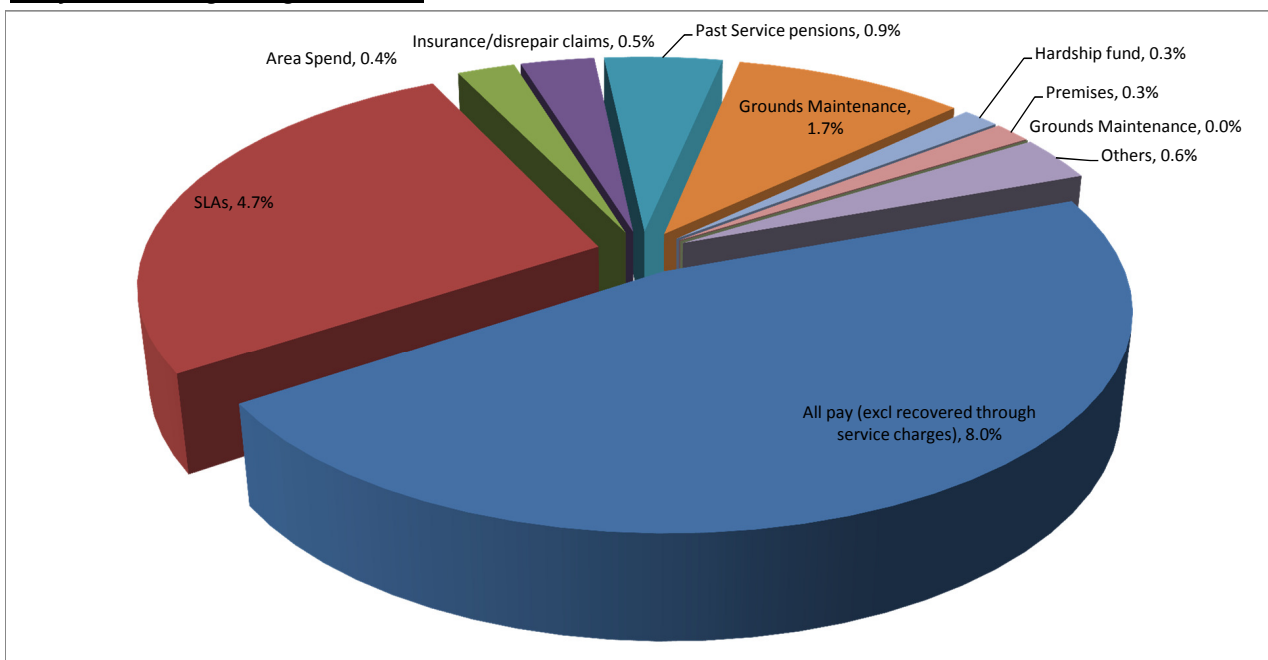
HRA Revenue Budget - detailed breakdowns

Annex 9

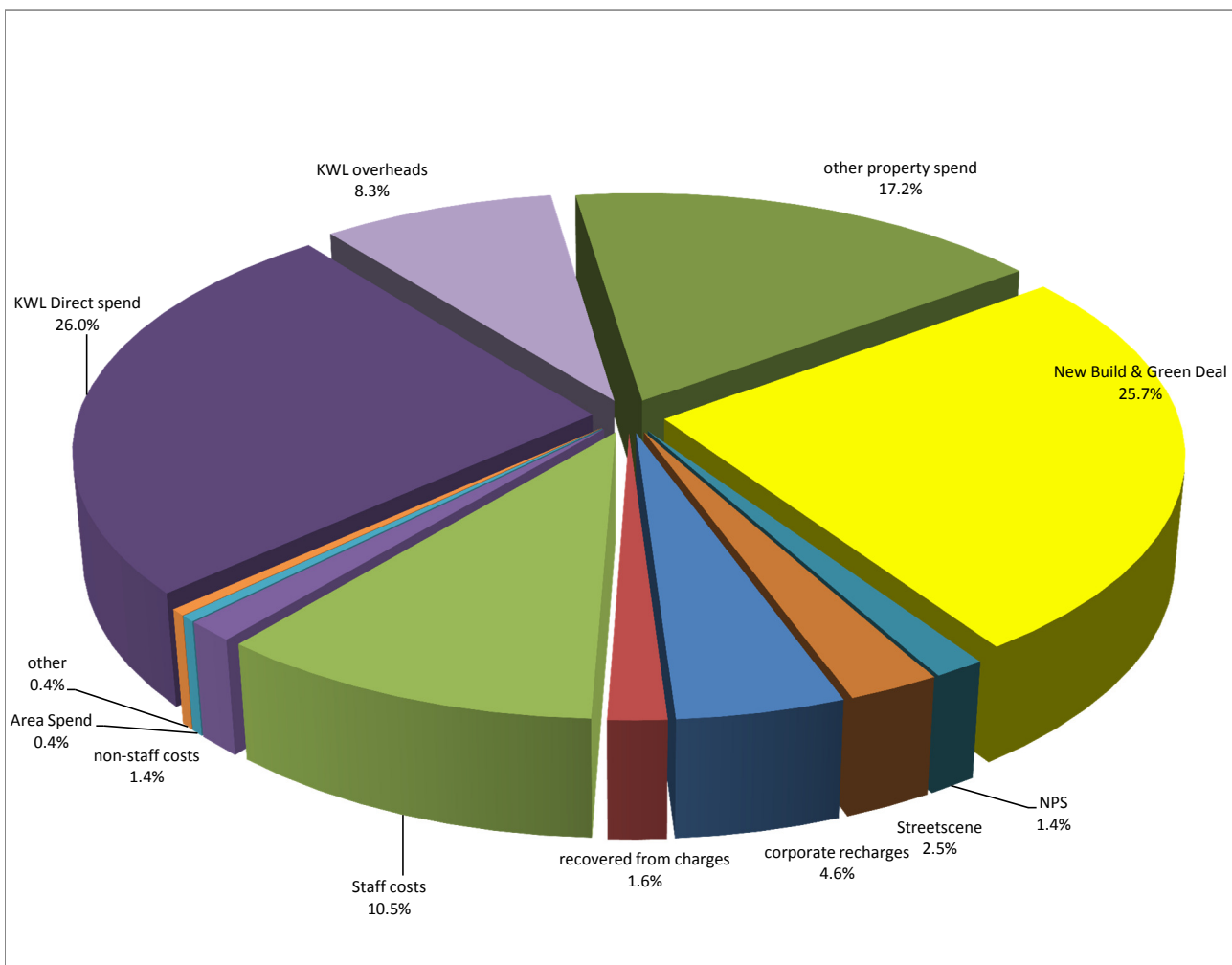
Analysis of HRA spend



Analysis of housing management costs



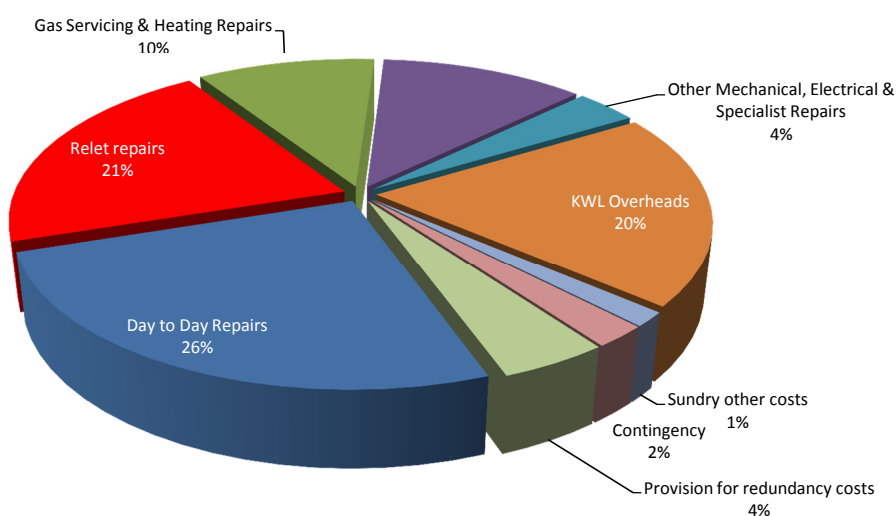
Source of variable spend



HRA Repairs & Maintenance Budget - further analysis

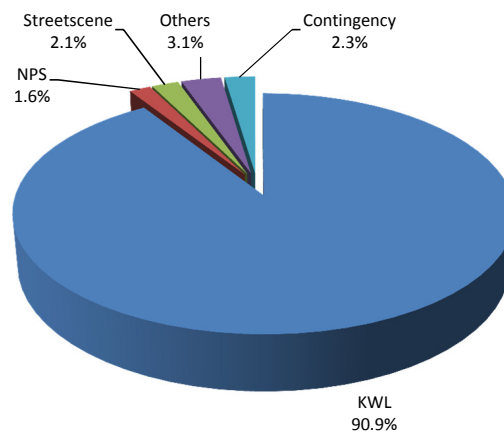
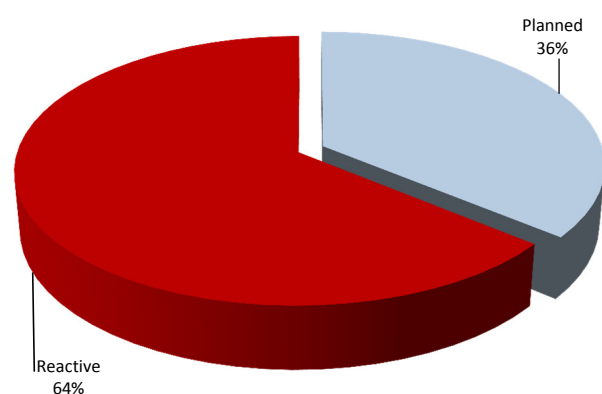
Annex 10 (1)

	<u>Current Budget 2016/17 £'000</u>	<u>Proposed Budget 2017/18 £'000</u>	<u>change £'000</u>	<u>%age</u>
Day to Day Repairs	5,885	5,720	(165)	-2.8%
Relet repairs	5,085	4,675	(410)	-8.1%
Gas Servicing & Heating Repairs	2,425	2,295	(130)	-5.4%
Planned / cyclical repairs	2,962	2,636	(326)	-11.0%
Other Mechanical, Electrical & Specialist Repairs	897	805	(92)	-10.3%
KWL Overheads	4,592	4,467	(125)	-2.7%
Sundry other costs	85	329	244	287.1%
Contingency	500	500	0	0.0%
Provision for redundancy costs	0	1,000	1,000	
	<u>22,431</u>	<u>22,427</u>	<u>(4)</u>	<u>0.0%</u>



Planned
Reactive

	8,094	7,706	(389)	-4.8%
	14,337	13,721	(615)	-4.3%
	<u>22,431</u>	<u>21,427</u>	<u>(1,004)</u>	<u>-4.5%</u>



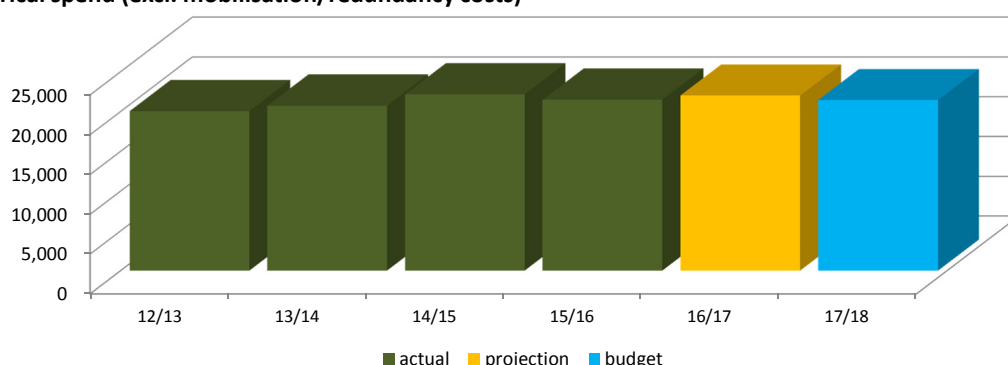
HRA Repairs & Maintenance Budget - further analysis

Annex 10 (2)

Historic outturn trends

	2012/13	2013/14	2014/15	2015/16	2016/17
	£'000	£'000	£'000	£'000	£'000
Day to Day Repairs	5,788	5,982	5,987	5,970	5,885
Relet Repairs	3,825	4,888	4,653	4,522	4,785
Planned/Cyclical Repairs	2,603	2,059	3,654	2,589	2,912
Gas & Heating Repairs (Inc. Gas DTD)	2,324	2,394	2,437	2,349	2,405
Other Mechanical, Electrical & Specialist Repairs	374	440	771	1,208	841
Other Costs - Overheads, Vehicles, etc.	658	78	72	86	100
KWL overheads	4,471	4,876	4,574	4,653	4,567
Contingency	0	6	0	97	500
Project Agreement Mobilisation Provisions	2,186	0	0	0	0
	22,229	20,722	22,149	21,475	21,995

R&M historical spend (excl. mobilisation/redundancy costs)



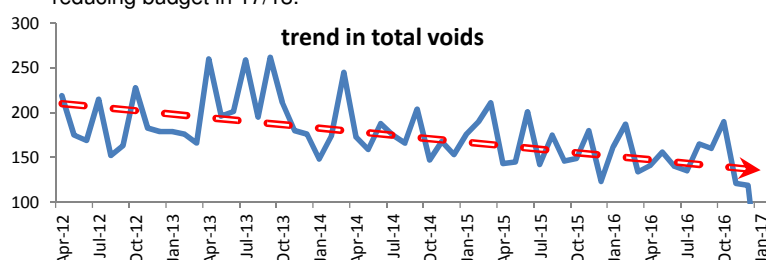
NB:

Day to Day Repairs

This is a budget directly lead by tenant demand. Whilst it has remained fairly static over recent years the trend is of marginal reductions over recent years.

Relet Repairs

This budget is lead by the number of voids. After a significant increase in 13/14, void numbers are currently steadily reducing and this is reflected in reducing budget in 17/18.



Planned/cyclical repairs

This is based on needs and mainly reflects painting programmes.

Projected future spend

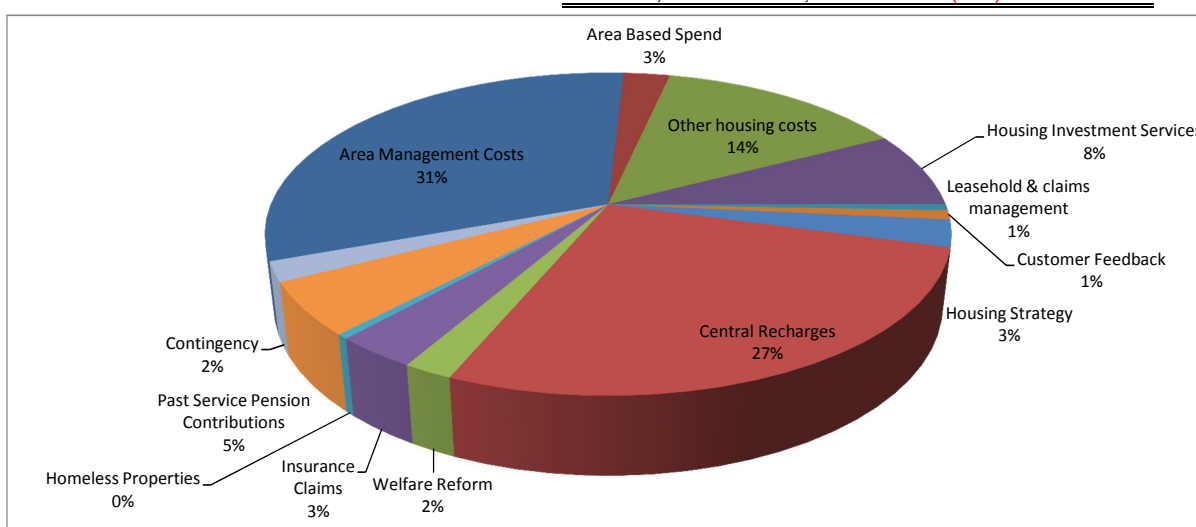
	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022
	£'000	£'000	£'000	£'000	£'000
Day to Day Repairs	5,720	5,802	5,869	5,940	5,990
Relet repairs	4,675	4,742	4,797	4,855	4,896
Gas Servicing & Heating Repairs	2,295	2,328	2,355	2,383	2,403
Planned / cyclical repairs	2,636	2,674	2,705	2,737	2,761
Other Mechanical, Electrical & Specialist Repairs	805	816	826	836	843
KWL Overheads & other costs	4,467	4,531	4,584	4,639	4,678
Sundry other costs	329	329	232	135	135
Contingency	500	500	500	500	500
Provision for redundancy costs	1,000	0	0	0	0
	22,427	21,722	21,867	22,024	22,207

NB: above figures do not reflect the need to make savings overall and thus would be expected to reduce over time as budgets are refined, or property numbers change.

Supervision & Management Budget - further analysis

Annex 11

	Current Budget 2016/17 £'000	Proposed Budget 2017/18 £'000	change £'000	%age
Area Management Costs	4,495	4,730	234	5.2%
Area Based Spend	391	391	0	0.0%
Other housing costs	2,053	2,100	47	2.3%
Housing Investment Services	1,144	1,138	(7)	-0.6%
Leasehold & claims management	93	94	1	1.0%
Customer Feedback	137	139	1	1.0%
Housing Strategy	548	406	(142)	-25.9%
Central Recharges	4,143	4,087	(56)	-1.4%
Welfare Reform	326	298	(28)	-8.7%
Insurance Claims	410	500	90	22.0%
Homeless Properties	70	70	0	0.0%
Past Service Pension Contributions	875	800	(75)	-8.6%
Contingency	500	300	(200)	-40.0%
	15,187	15,053	(134)	-0.9%



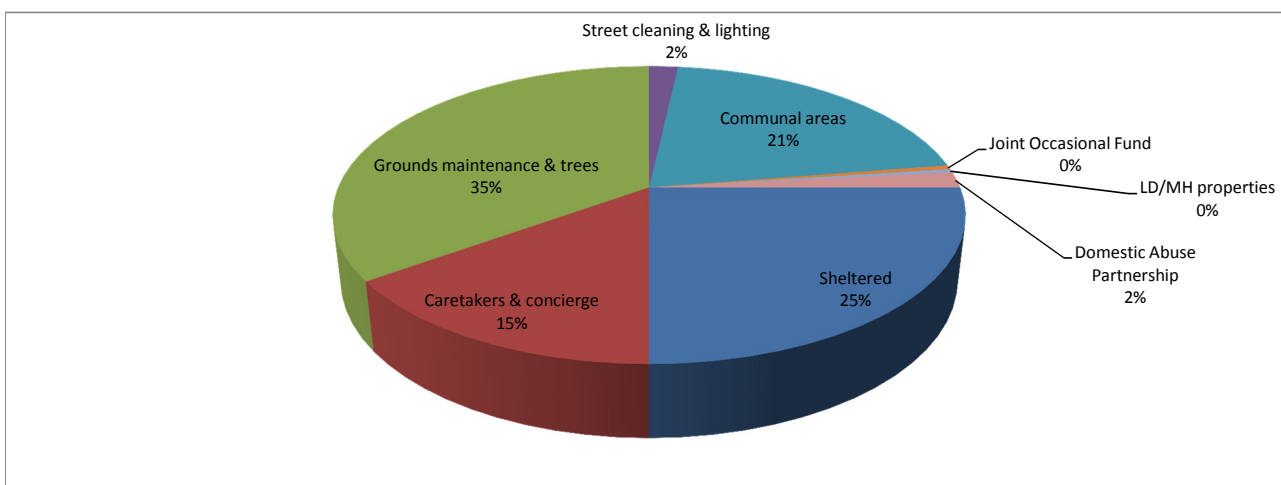
Total cost of housing management

	Current Budget 2016/17 £'000	Proposed Budget 2017/18 £'000	change £'000	%age
Supervision & management above	15,187	15,053	(134)	-0.9%
Special services	4,562	4,484	(78)	-1.7%
Property costs	370	253	(117)	-31.6%
Corporate & democratic core less	295	295	0	0.0%
costs recharged	(3,799)	(3,936)	(138)	3.6%
	16,615	16,148	(466)	-2.8%
Area pay & pensions	4,391	4,574	183	4.2%
Area based spend	391	391	0	0.0%
Other housing pay & pensions	3,844	3,637	(207)	-5.4%
Housing Review costs		54	54	
Recharges (inc CDC)	4,438	4,382	(56)	-1.3%
Insurance claims	410	500	90	22.0%
Welfare reform costs - hardship fund	250	250	0	0.0%
Premises	370	253	(117)	-31.6%
Grounds maintenance costs (net)	1,576	1,565	(11)	-0.7%
Other costs (net of recharges)	945	542	(402)	-42.6%
	16,615	16,148	(466)	-2.8%

Special Services Budget - further analysis

Annex 12

	<u>Current Budget 2016/17 £'000</u>	<u>Proposed Budget 2017/18 £'000</u>	<u>change £'000</u>	<u>%age</u>
Sheltered	1,112	1,122	10	0.9% recharged
Caretakers & concierge	654	675	21	3.2% recharged
Grounds maintenance & trees	1,576	1,565	(11)	-0.7%
Street cleaning & lighting	50	80	30	60.0%
Communal areas	1,022	929	(92)	-9.0% recharged
Joint Occasional Fund	20	20	0	0.0%
LD/MH properties	37	16	(21)	-56.7% recharged
Domestic Abuse Partnership	92	77	(15)	-16.0%
	<u>4,562</u>	<u>4,484</u>	<u>(78)</u>	<u>-1.7%</u>



Recharges

	<u>Current Budget 2016/17 £'000</u>	<u>Proposed Budget 2017/18 £'000</u>	<u>change £'000</u>	<u>%age</u>	<u>Cost recovered %age</u>
Sheltered					
total cost	1,112	1,122	10	0.9%	
of which recharged	(1,083)	(1,122)	(39)	3.6%	
net cost to the HRA	<u>29</u>	<u>(0)</u>	<u>(29)</u>	<u>-100.8%</u>	100.0%
Caretakers & concierge					
total cost	654	675	21	3.2%	
of which recharged	(466)	(495)	(29)	6.2%	
net cost to the HRA	<u>188</u>	<u>180</u>	<u>(66)</u>	<u>-35.0%</u>	73.4%
Communal areas					
total cost	1,022	929	(92)	-9.0%	
of which recharged	(558)	(612)	(54)	9.6%	
net cost to the HRA	<u>464</u>	<u>318</u>	<u>(249)</u>	<u>-53.6%</u>	65.8%
LD/MH properties					
total cost	37	16	(21)	-56.7%	
of which recharged	(34)	(16)	18	-52.5%	
net cost to the HRA	<u>3</u>	<u>0</u>	<u>(464)</u>	<u>-14199.8%</u>	100.0%

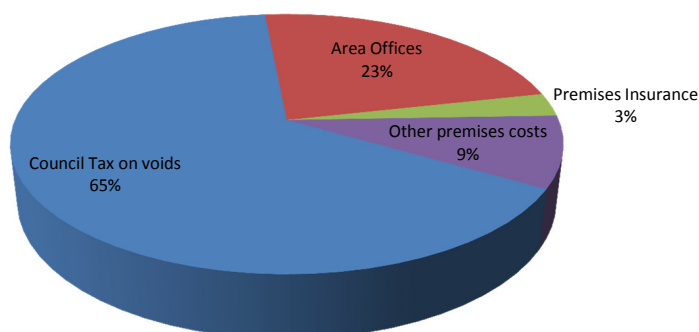
Rent rates & other taxes Budget - further analysis

Annex 13

	<u>Current Budget 2016/17 £'000</u>	<u>Proposed Budget 2017/18 £'000</u>		<u>change</u>
			<u>£'000</u>	<u>%age</u>
Council Tax on voids	370	473	103	27.7%
Area Offices	164	167	3	2.1%
Premises Insurance	133	21	(112)	-84.2%
Other premises costs	73	65	(9)	-12.0%
	740	726	(14)	-1.9%

NB: change in C Tax on voids

16/17 budget	370
Policy change - increase in charges (from first day of being void rather than after 28 days)	177
increase in C Tax charges	22
change in number of voids	(97)
	473



Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

HRA Capital Budget - further analysis

Annex 14

	17/18	18/19	Total	Remaining Cost
(a) New Build				
Preston Road New build Provision	113	15	128	£9,227,000
Orchard Park New Build Provision	86	0	86	£4,758,214
Bungalows New Build Provision	8	0	8	£1,142,000
Empty properties	10	0	10	£250,000
	217	15	232	£15,377,214

	already completed	16/17(full yr)	17/18	later	Total
(b) Cladding					
<u>Contractually committed</u>					
Preston Road Wingets HCC	12	276	0	0	288
Orchard Park Thorpes	0	401	0	0	401
	12	677	0	0	689

<u>Committed</u>					
Balance Orchard Park and Greenwood Wimpey No Fines 5M's		0	758	0	758
		0	53	0	53
	0	0	811	0	811

<u>To be reviewed</u>					
Bransholme District and Roebank Caspons		0	0	504	504
Spooners		0	0	286	286
Wimpey No Fines		0	0	442	442
Calders		0	0	58	58
RatTrads		0	0	1,248	1,248
	0	0	0	2,538	2,538
	12	677	811	2,538	4,038

	properties	overall cost (all years)	each	Remaining Cost
<u>Contractually committed</u>				
Preston Road Wingets HCC	288	£5,753,117	£19,976	£600,000
Orchard Park Thorpes	401	£4,074,470	£10,161	£0
	689	£9,827,587		£600,000

<u>Committed</u>				
Balance Orchard Park and Greenwood Wimpey No Fines 5M's	758	£7,801,336	£10,292	£7,801,336
	53	£1,027,919	£19,395	£1,027,919
	811	£8,829,255		£8,829,255

<u>To be reviewed</u>				
Bransholme District and Roebank Caspons	504	£8,542,800	£16,950	£8,542,800
Spooners	286	£3,943,527	£13,789	£3,943,527
Wimpey No Fines	442	£4,881,208	£11,043	£4,881,208
Calders	58	£1,211,089	£20,881	£1,211,089
RatTrads	1,248	£6,240,000	£5,000	£6,240,000
	2,538	£24,818,624		£24,818,624
	4,038	£43,475,466	£10,767	£34,247,879

(c) total committed regen spend				
New build				£15,377,214
Cladding				£34,247,879
				£49,625,093

	properties	overall cost (all years)	each	Assumed grant	Net
(d) potential spend - subject to grant/affordability					
Cherry Hinton	19	£784,393	£41,284	£513,000	£271,393
New Build	93	£9,100,000	£97,849	£4,557,000	£4,543,000
Empties	29	£2,000,000	£68,966	£783,000	£1,217,000
	141	£11,884,393		£5,853,000	£6,031,393

Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

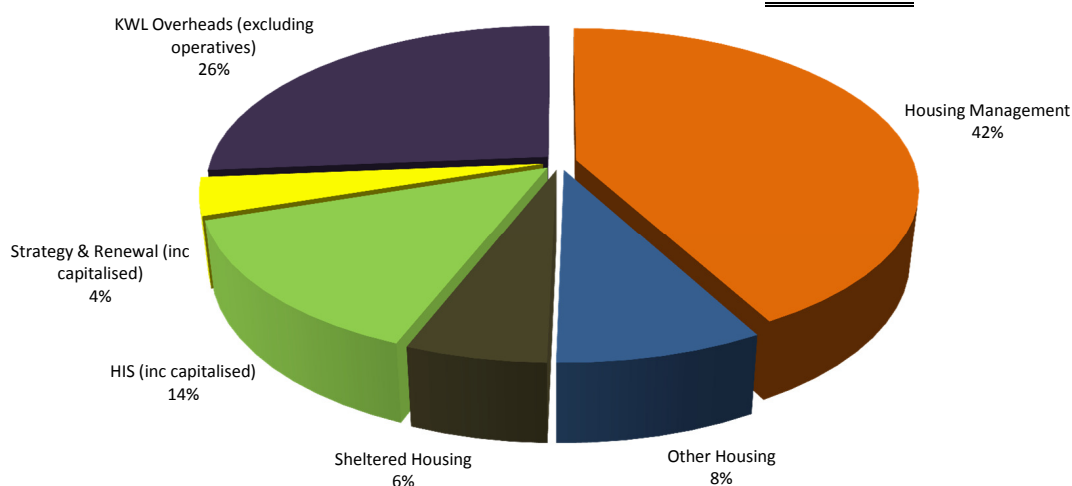
Analyses of staff charged to HRA (capital & revenue)

Annex 15

	<u>Current Budget 2016/17 FTEs</u>	<u>Proposed Budget 2017/18 FTEs</u>	<u>FTEs</u>	<u>change %age</u>	
Housing Management	194.84	195.00	0.16	0.1%	Area Housing Review
Other Housing	40.54	38.15	-2.39	-5.9%	inc. temp Housing Review Support
Sheltered Housing	25.99	25.99	0.00	0.0%	
HIS (inc capitalised)	64.47	64.57	0.09	0.1%	
Strategy & Renewal (inc capitalised)	22.92	17.55	-5.37	-23.4%	
Directly employed	348.76	341.26	-7.50	-2.2%	
KWL Overheads (excluding operatives)	121.98	121.98	0.00	0.0%	per Open Book process
Total employed	470.74	463.24	-7.50	-1.6%	
Directly employed					
Revenue	304.93	300.25	-4.69	-1.5%	
Capital	43.83	41.01	-2.82	-6.4%	
	348.76	341.26	-7.50	-2.2%	

Net changes

Welfare & Money advice	1.00
TP team	2.39
Housing Strategy & Renewal (various changes)	5.37
	8.76 Annex 3
changes in hours	-0.09
Area Housing Review	-0.16
net permanent savings	8.50
temporary staff - Housing Review	-1.00
	7.50



longer term staffing changes

	<u>2009/2010 FTEs</u>	<u>2017/2018 FTEs</u>	<u>FTEs</u>	<u>change %age</u>
Housing Management	215.18	195.00	-20.18	-9.4%
Other Housing	79.36	64.14	-15.22	-19.2%
HIS (inc capitalised)	93.16	64.57	-28.59	-30.7%
Strategy & Renewal (inc capitalised) / Gateway HMR*	44.00	17.55	-26.45	-60.1%
Directly employed	431.70	341.26	-90.44	-20.9%
Stock change in period				-11.8%

* Gateway functions became - in effect - the renewal element of Strategy & Renewal

Properties

Annex 16

(a) Breakdown of stock at 1 April 2016

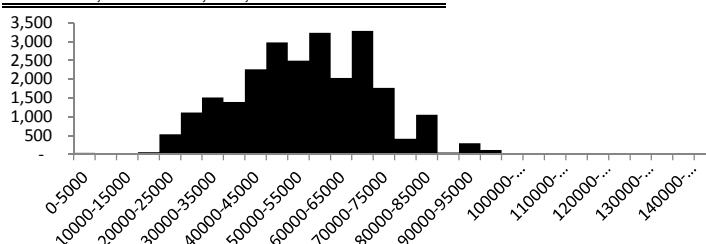
	Flats	Houses & bungalows	Specialist housing	Total	
bedsits	102			102	0.4%
1 bedroom	3,262	2,487		5,749	23.2%
2 bedrooms	2,089	6,812		8,901	36.0%
3 bedrooms	222	8,595	4	8,821	35.6%
4 bedrooms		1,059	4	1,063	4.3%
5 bedrooms		101		101	0.4%
6 bedrooms		7		7	0.0%
7 bedrooms		1		1	0.0%
	5,675	19,062	8	24,745	
	22.9%	77.0%	0.0%		

(b) Open Market value of stock at 1 April 2016

	£'000	£'000	£'000	£'000	
bedsits	1,977			1,977	0.1%
1 bedroom	104,508	121,996		226,504	17.1%
2 bedrooms	80,875	389,464		470,340	35.4%
3 bedrooms	9,202	538,094	198	547,494	41.2%
4 bedrooms		74,237	164	74,401	5.6%
5 bedrooms		6,765		6,765	0.5%
6 bedrooms		577		577	0.0%
7 bedrooms		138		138	0.0%
	196,563	1,131,271	362	1,328,195	
	14.8%	85.2%	0.0%		

(c) Average value by range

	Properties	Value (£'000)	Average (£'000)	%age of properties	%age of value
0-5000	39	134	3.4	0.16%	0.01%
5000-10000	29	231	7.9	0.12%	0.02%
10000-15000	3	30	10.0	0.01%	0.00%
15000-20000	57	1,023	17.9	0.23%	0.08%
20000-25000	536	11,877	22.2	2.17%	0.89%
25000-30000	1,112	29,868	26.9	4.49%	2.25%
30000-35000	1,509	47,055	31.2	6.10%	3.54%
35000-40000	1,396	50,939	36.5	5.64%	3.84%
40000-45000	2,259	93,053	41.2	9.13%	7.01%
45000-50000	2,982	139,615	46.8	12.05%	10.51%
50000-55000	2,490	129,063	51.8	10.06%	9.72%
55000-60000	3,232	184,743	57.2	13.06%	13.91%
60000-65000	2,034	125,465	61.7	8.22%	9.45%
65000-70000	3,290	218,405	66.4	13.30%	16.44%
70000-75000	1,766	126,988	71.9	7.14%	9.56%
75000-80000	413	31,993	77.5	1.67%	2.41%
80000-85000	1,053	85,514	81.2	4.26%	6.44%
85000-90000	47	4,036	85.9	0.19%	0.30%
90000-95000	297	27,136	91.4	1.20%	2.04%
95000-100000	115	11,235	97.7	0.46%	0.85%
100000-105000	30	3,058	101.9	0.12%	0.23%
105000-110000	1	106	106.0	0.00%	0.01%
110000-115000	7	779	111.3	0.03%	0.06%
115000-120000	29	3,350	115.5	0.12%	0.25%
120000-125000	11	1,341	121.9	0.04%	0.10%
125000-130000	3	377	125.8	0.01%	0.03%
130000-135000	1	132	132.5	0.00%	0.01%
135000-140000	1	138	137.8	0.00%	0.01%
140000-145000	1	141	141.0	0.00%	0.01%
185000-190000	2	371	185.5	0.01%	0.03%
Grand Total	24,745	1,328,195	53.7		

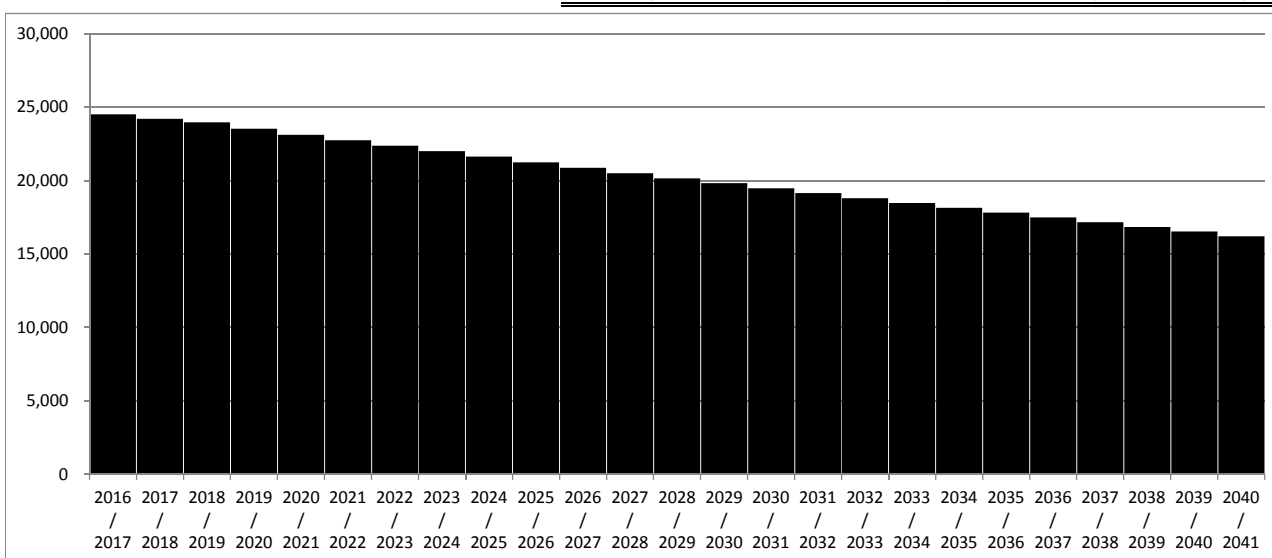


Hull City Council - Budget Pack - Annexes
HRA Budget - 2017 / 2018

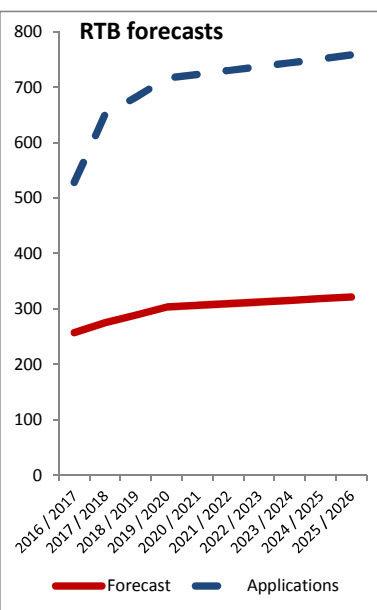
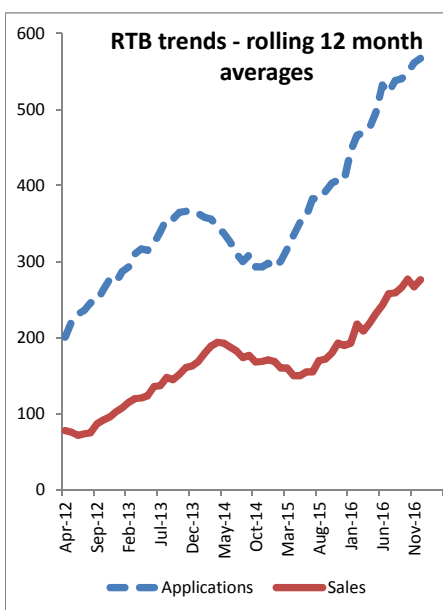
Projected changes in dwelling stock by year

Annex 17

(a) overall movement	16/17(full yr)	17/18	18/19	19/20	20/21
Opening stock	24,745	24,261	24,160	23,755	23,304
new build properties	28	207	15	0	0
bringing empties back into use	0	10	0	0	0
regeneration areas	(198)	(137)	(111)	(84)	0
Gorthorpe	(47)	0	0	0	0
RTB Sales	(257)	(275)	(314)	(334)	(337)
Sale of Higher Value properties	0	0	(22)	(23)	(23)
Demolitions	(10)	(10)	(10)	(10)	(10)
indicative new build etc (subject to affordability)	0	104	37	0	0
others	0	0	0	0	0
	24,261	24,160	23,755	23,304	22,934



(b) right to buy sales



	Applications	Sales
11/12	186	74
12/13	310	120
13/14	356	189
14/15	317	160
15/16	469	209
16/17 to Dec	404	211
Forecasts		
16/17(full yr)	528	257
17/18	650	275
18/19	682	289
19/20	716	303
20/21	723	306
21/22	730	309

Projected changes in dwelling stock by year

Annex 17 (2)

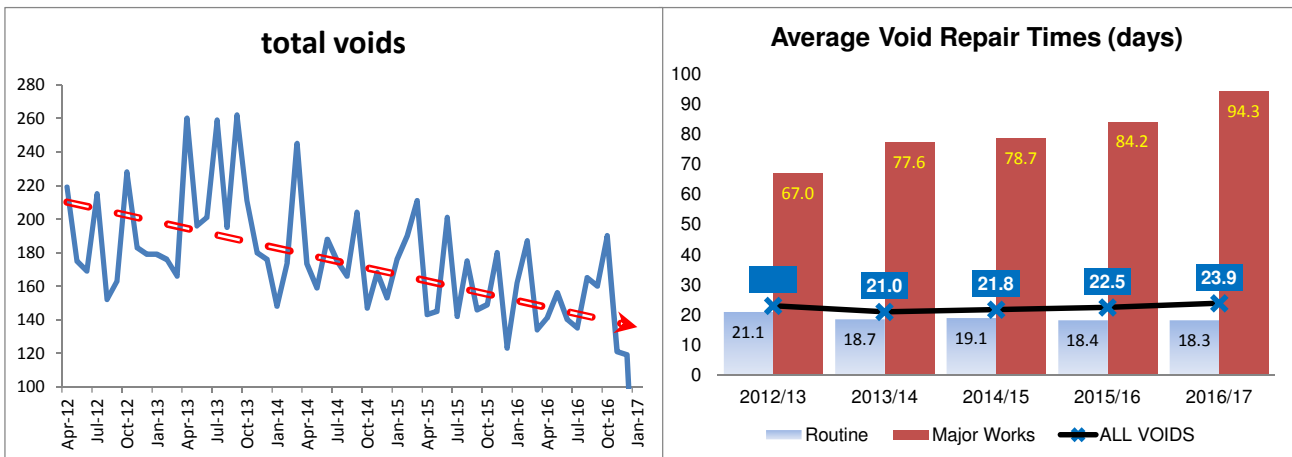
(c) sales of high value properties

2017 / 2018 2018 / 2019 2019 / 2020 2020 / 2021 2021 / 2022

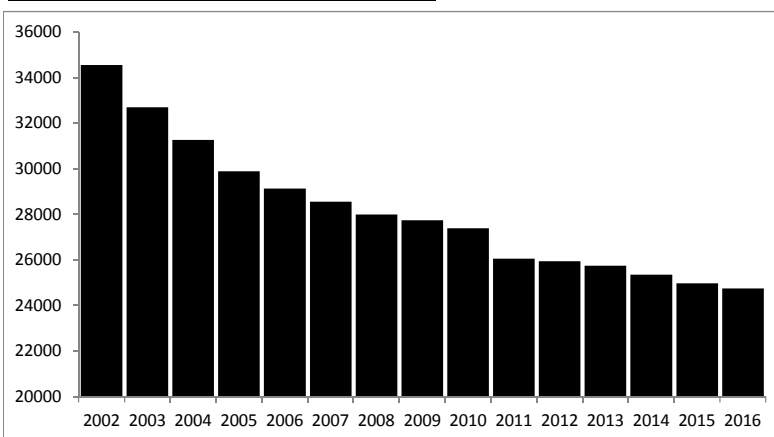
assumed levy	£0	£1,000,000	£1,050,000	£1,076,250	£1,103,156
assumed property numbers required to be sold	-	22	23	23	23

The implementation of the SHVT levy has been put back until 2018/19 at present. It may be that this disappears altogether in future, although this can not be confirmed at present. The estimation of value and property numbers that would require to be disposed of is highly indicative at this stage with a range of possible costs, if implemented, of perhaps up to £10m per annum.

(d) Property Voids



(e) Historic property numbers and trends



	<u>properties at</u> <u>year end</u>	<u>change</u> <u>since 2002</u>	
2002	34544		
2003	32694	-1850	-5.36%
2004	31263	-3281	-9.50%
2005	29888	-4656	-13.48%
2006	29118	-5426	-15.71%
2007	28543	-6001	-17.37%
2008	27992	-6552	-18.97%
2009	27732	-6812	-19.72%
2010	27378	-7166	-20.74%
2011	26049	-8495	-24.59%
2012	25939	-8605	-24.91%
2013	25737	-8807	-25.50%
2014	25347	-9197	-26.62%
2015	24973	-9571	-27.71%
2016	24745	-9799	-28.37%

Rent & rent arrears

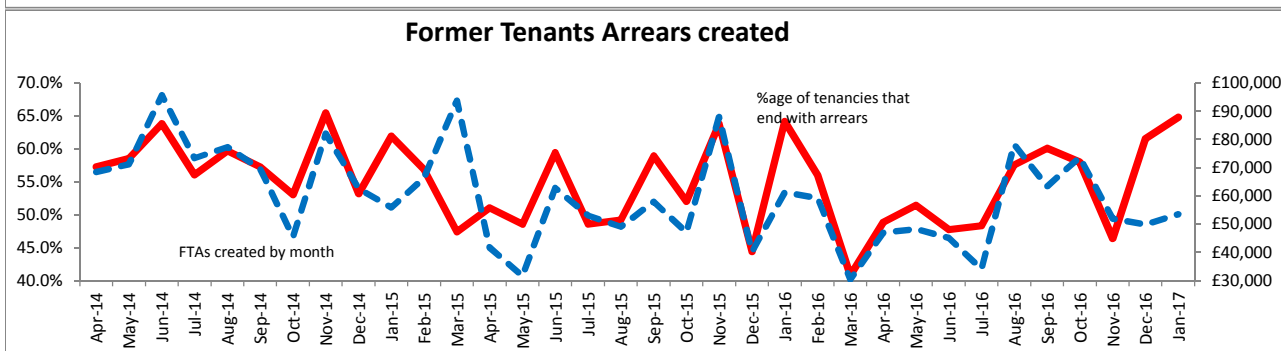
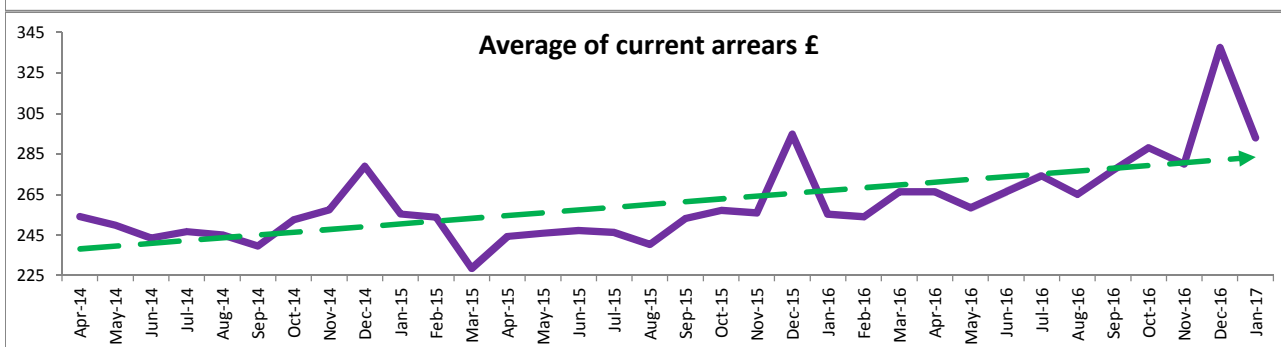
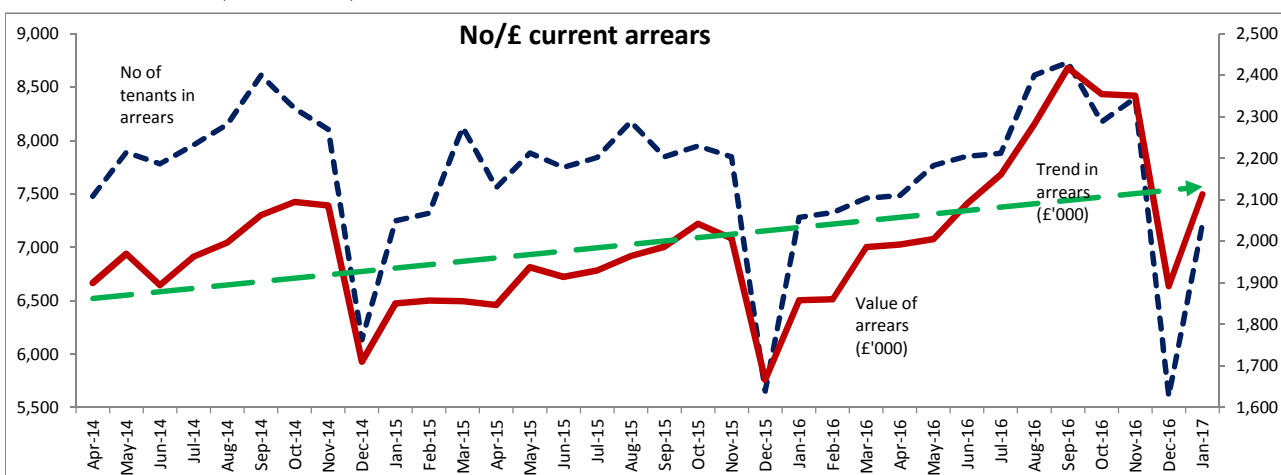
Annex 18

(a) Rent per week				
	2016/17	2017/18	change	change
Average rent per week	£73.16	£72.43	(£0.73)	-1.00%
50 week equivalent	£76.09	£75.33	(£0.76)	-1.00%

(b) Change in budgeted rents				
	£'000			
budgeted rent 16/17		90,411		
change in rent levels	(900)		-1.0%	
change in property numbers	(209)		-0.2%	
change in void levels	922		1.0%	
		(187)	-0.2%	
budgeted rent 17/18		90,224		

(c) Rent Arrears - trends

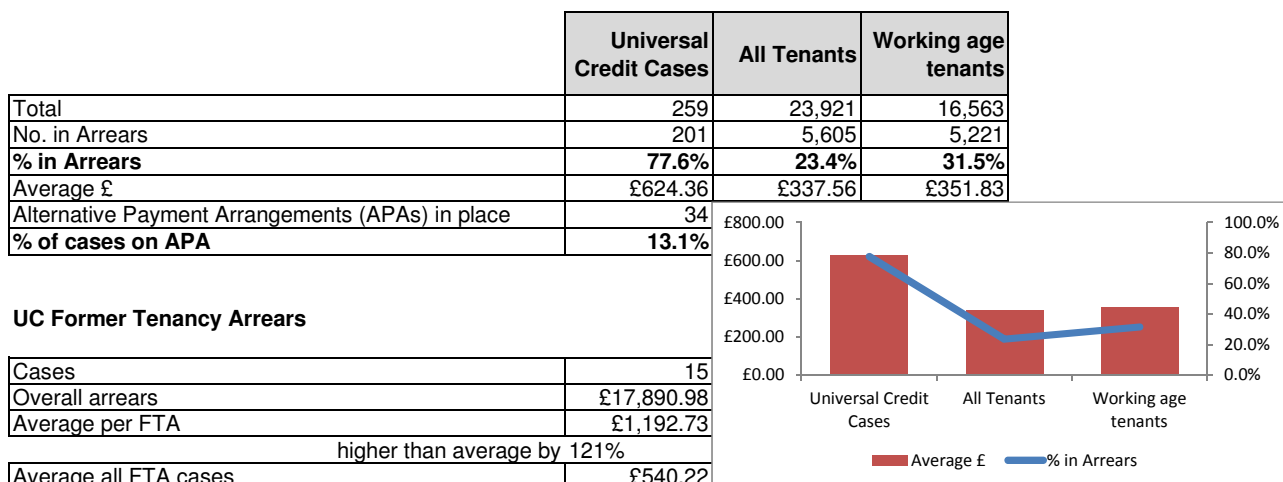
	2013/14	2014/15	2015/16	2016/17 Dec-16
Current Tenant Arrears (as % of rent roll)	1.889%	1.903%	2.011%	2.190%
Former Tenant Arrears (as % of rent roll)	0.923%	1.040%	0.990%	1.115%
Arrears written off as (% of rent roll)	0.464%	0.584%	0.574%	0.345%



Rent & rent arrears

Annex 18 (2)

(d) Universal Credit - impact to date



(e) Bedroom Tax

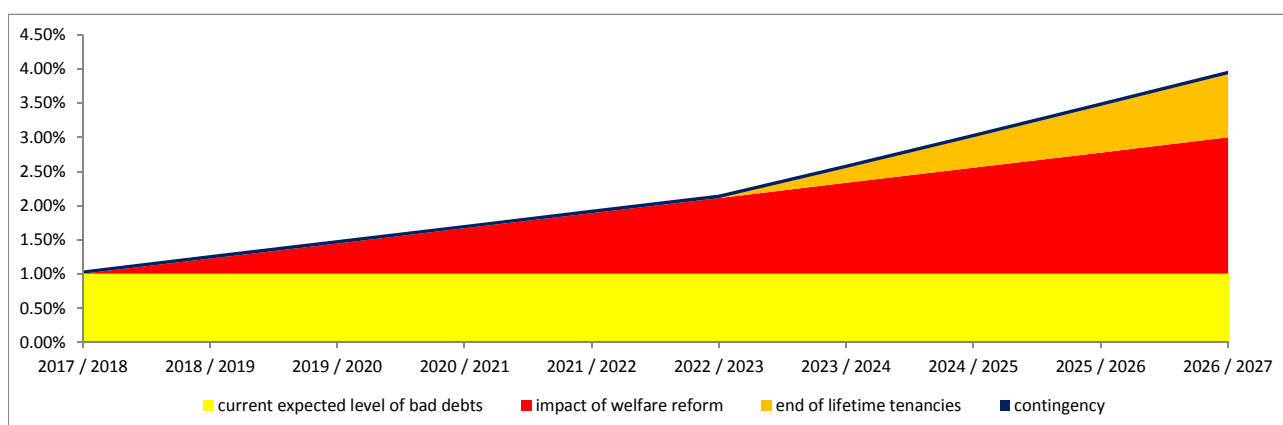
01 February 2017

Bedroom Tax		£ Due	£ Paid	% Paid
Tenants charged bedroom tax	2,973	6,440,396	6,197,195	96.2%
% tenants paying in full	59.4%	3,983,183	3,983,169	100.0%
% tenants paying partial	39.3%	2,428,073	2,214,025	91.2%
% tenants paying none	1.3%	29,140	-	0.0%

(f) Expectations of bad debts

	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022
current expected level of bad debts	1.00%	1.00%	1.00%	1.00%	1.00%
impact of welfare reform	0.00%	0.22%	0.44%	0.66%	0.89%
end of lifetime tenancies	0.00%	0.00%	0.00%	0.00%	0.00%
contingency	0.05%	0.05%	0.05%	0.05%	0.05%
	1.05%	1.28%	1.50%	1.72%	1.94%

as we have a situation with a significant amount of unknowns these must be seen as indicative of the potential trajectory rather than a forecast. The full implications of the benefit cap and Universal Credit are not yet known, with some cognisance taken of earlier studies but we are essentially in uncharted territory at present so there are no historical patterns here or elsewhere to meaningfully draw upon. Fixed Term Tenancies are also expected to create a separate destabilising factor in later years.



Service Charges

Annex 19

Service Charges	2016/17	4	Increase	Notes
Service				
CCTV	£0.81	£0.81	£0.00	cost recovery
Controlled Entry	£1.40	£1.20	(£0.20)	
Concierge schemes				
Great Thornton Street - mobile security service	£2.30	£2.35	£0.05	
Garages				
Block Garages	£7.05	£7.05	£0.00	
Private Garages	£8.46	£8.46	£0.00	includes VAT
NB: legally VAT is chargeable on all garages, except for tenants where up to 2 garages are let in conjunction with the property (VAT notice 742, s4.2).				
Sheltered				
Sheltered - Category 1	£6.03	£6.86	£0.84	rebalancing of costs between
Sheltered - Category 1.5	£8.20	£7.75	(£0.45)	Cat 1 / 1½ and Cat 2
Sheltered - Category 2 / vertical	£23.26	£24.42	£1.16	schemes
PCT recharge (Thornton Court)	£12.10	£12.80	£0.70	
Lifeline				
Fixed lifeline	£2.63	£2.65	£0.02	Cost recovery
Tenants lifeline	£2.63	£2.65	£0.02	
Private lifeline	£3.15	£3.18	£0.03	includes VAT
PCT recharge (Thornton Court)	£3.37	£3.44	£0.07	
Others				
Ashby / Hermes Heating Charge	£6.58	£6.72	£0.14	
Heating Charge - all other bedsits	£10.39	£10.60	£0.21	
Bungalow Heating Charge	£14.45	£14.74	£0.29	
Heating Charge - all other flats	£12.12	£12.37	£0.25	
Welbury Grove Heating Charge	£3.95	£4.03	£0.08	
Ashby / Hermes Service Charge	£6.48	£6.61	£0.13	
Charles Brady	£4.58	£4.68	£0.10	
Standard Service Charge	£4.13	£4.22	£0.09	
Welbury Grove Service Charge	£5.00	£5.10	£0.10	
Water Meter	£4.63	£4.73	£0.10	
Flats - Caretaking				
High Rise Flats	£3.89	£4.09	£0.20	
2 Storey Blocks - Various Sizes (Communal Gardens Only)	£1.04	£1.10	£0.06	
2 Storey 4 Blocks (Communal Entrance to 1st Floor only)	£0.00	£0.00	£0.00	
2 Storey Non Trad Corner 4 Blocks	£0.00	£0.00	£0.00	
Traditional 2 Storey Corner 6 Block	£1.04	£1.10	£0.06	
Traditional 3 Storey post war 6 Block	£1.04	£1.10	£0.06	
Traditional 3 Storey pre war	£1.50	£1.58	£0.08	
Traditional 3 Storey Corner 6 block	£0.00	£0.00	£0.00	
Trad Maisonettes Over Estate Shops	£0.00	£0.00	£0.00	
Non Trad Maisonettes Over Estate Shops	£0.00	£0.00	£0.00	
Australia Houses	£2.59	£2.72	£0.13	
Block Maisonettes	£1.04	£1.10	£0.06	
6-9 Storey Flats	£2.59	£2.72	£0.13	
Ferensway House	£0.00	£0.00	£0.00	
Acquired flats	£0.00	£0.00	£0.00	
Sheltered high rise flats	£3.89	£4.09	£0.20	
Salinger House	£1.53	£1.61	£0.08	
Salinger House	£1.53	£1.61	£0.08	
Dane View	£2.29	£2.41	£0.12	
Coltman Street	£0.00	£0.00	£0.00	

Service Charges

Annex 19

Service Charges	2016/17	4	Increase	Notes
Flats - Communal cleaning				
High Rise Flats	£3.11	£3.27	£0.16	
2 Storey Blocks - Various Sizes (Communal Gardens Only)	£0.00	£0.00	£0.00	
2 Storey 4 Blocks (Communal Entrance to 1st Floor only)	£0.00	£0.00	£0.00	
2 Storey Non Trad Corner 4 Blocks	£0.63	£0.67	£0.04	
Traditional 2 Storey Corner 6 Block	£0.63	£0.67	£0.04	
Traditional 3 Storey post war 6 Block	£0.63	£0.67	£0.04	
Traditional 3 Storey pre war	£0.56	£0.59	£0.03	
Traditional 3 Storey Corner 6 block	£0.38	£0.40	£0.02	
Trad Maisonettes Over Estate Shops	£0.56	£0.59	£0.03	
Non Trad Maisonettes Over Estate Shops	£0.56	£0.59	£0.03	
Australia Houses	£4.71	£4.95	£0.24	
Block Maisonettes	£0.56	£0.59	£0.03	
6-9 Storey Flats	£3.06	£3.22	£0.16	
Ferensway House	£8.64	£9.08	£0.44	
Acquired flats	£0.63	£0.67	£0.04	
Sheltered high rise flats	£0.00	£0.00	£0.00	
Salinger House	£1.19	£1.25	£0.06	
Salinger House	£1.19	£1.25	£0.06	
Dane View	£0.40	£0.42	£0.02	
Coltman Street	£2.31	£2.43	£0.12	currently significantly underrecovering costs
Flats - Communal electric				
High Rise Flats	£2.48	£2.73	£0.25	
2 Storey Blocks - Various Sizes (Communal Gardens Only)	£0.00	£0.00	£0.00	
2 Storey 4 Blocks (Communal Entrance to 1st Floor only)	£0.29	£0.32	£0.03	
2 Storey Non Trad Corner 4 Blocks	£0.29	£0.32	£0.03	
Traditional 2 Storey Corner 6 Block	£0.60	£0.66	£0.06	
Traditional 3 Storey post war 6 Block	£1.03	£1.14	£0.11	
Traditional 3 Storey pre war	£0.72	£0.80	£0.08	
Traditional 3 Storey Corner 6 block	£0.47	£0.52	£0.05	
Trad Maisonettes Over Estate Shops	£0.47	£0.52	£0.05	
Non Trad Maisonettes Over Estate Shops	£0.48	£0.53	£0.05	
Australia Houses	£0.24	£0.27	£0.03	
Block Maisonettes	£1.16	£1.28	£0.12	
6-9 Storey Flats	£1.94	£2.14	£0.20	
Ferensway House	£2.17	£2.39	£0.22	
Acquired flats	£0.60	£0.66	£0.06	
Sheltered high rise flats	£0.00	£0.00	£0.00	
Salinger House	£0.60	£0.66	£0.06	
Salinger House	£0.60	£0.66	£0.06	
Dane View	£0.48	£0.53	£0.05	
Coltman Street	£0.27	£0.29	£0.02	currently significantly underrecovering costs
District Heating Schemes				
Bathurst St	£0.0449	£0.0449	£0.0000	
Rosset House	£0.0449	£0.0449	£0.0000	
New Michael Street / Melville Street	£0.0449	£0.0449	£0.0000	
Torpoint, Millport & Woolwich	£0.0449	£0.0449	£0.0000	
Valiant Drive blocks	£0.0449	£0.0449	£0.0000	
Coniston & Kendall Houses	£0.0610	£0.0610	£0.0000	
Meter charge	£0.45	£0.90		2nd of 3 year introduction (£1.40 next year).
Laundry - all schemes				
wash tokens	£1.00	£1.00	£0.00	
dryer tokens	£0.50	£0.50	£0.00	
Schemes				
Welbury Grove (Mental Health)	£31.23	£0.00	(£31.23)	
Ashby (LD)	£42.00	£27.46	(£14.54)	
Hermes (LD)	£35.10	£22.70	(£12.39)	
Travellers sites <i>these are GF charges but processed via Housing</i>				
Single pitch	£56.11	£57.80	£1.69	Site charges have been reviewed following completion of refurbishment works
Double pitch	£84.11	£86.64	£2.53	

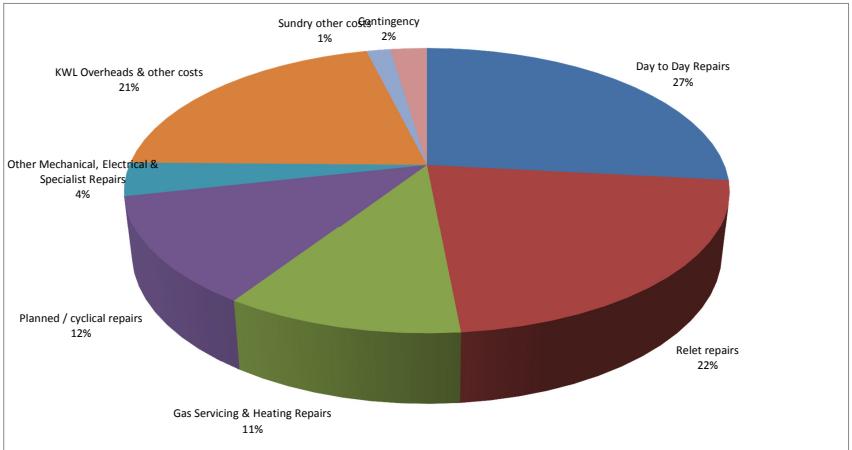
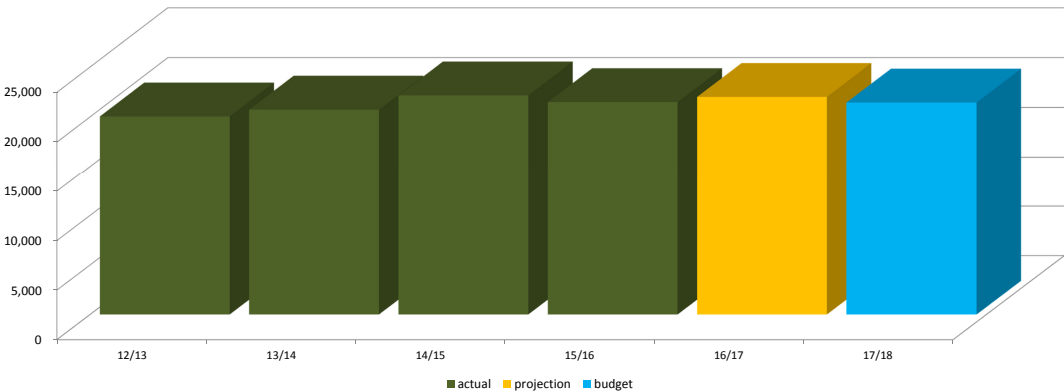
Budget changes 17/18 - summary

Annex 20

	4	Rents & Service charges / R&M etc.			Costs of Government Policy changes		Cost of Council Policy changes	Changes in tenant behaviours		Changes in the capital programme & capital financing						Other changes			Housing Review costs					Inflation					
	Budget 16/17	reclassifications	change in rent levels	change in property numbers	change in void levels	Pay to Stay	Welfare reform (inc delay in implementation of UC)	Council Tax on Voids	Right to Buy numbers	Disrepair	Bad Debts	changes in interest rates	Lower debt repayments due	Interest savings from previous debt repayments	Interest savings from lower than expected borrowing in 16/17	Deprecation on dwelling stock	Deprecation on non-dwelling stock	Area Review	Staff costs	Recharges	Gateway properties	Other savings	Temporary project support staff	Investment in IT systems	Others (inc consultations with tenants)	Redundancy costs provision	General	Others	Budget 17/18
INCOME																													
Dwelling Rent Income	90,444	0	(909)	(209)	789	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	124	0	0	0	0	0	0	90,240
Charges for service and facilities	2,556	0	61	51	0	0	0	0	(2)	0	0	0	0	0	0	0	0	0	0	0	0	(21)	0	0	0	0	3	(1)	2,647
Non dwelling rents	1,277	0	0	(13)	(26)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,237
Leaseholders charges for services	259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	259
Other fees & charges	246	0	0	0	0	0	0	0	112	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	358
Interest on balances	269	0	0	0	0	0	0	0	0	0	(253)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	32
General Fund Transfer re Whole Community	738	0	0	0	0	0	0	0	(22)	0	0	0	0	0	0	0	0	0	0	0	0	(43)	0	0	0	0	0	(0)	673
TOTAL INCOME	95,789	0	(848)	(172)	764	0	0	0	87	0	0	(253)	0	0	0	0	0	0	0	0	0	60	0	0	0	0	3	14	95,445
EXPENDITURE																													
Repairs & Maintenance	22,431	0	0	(19)	(480)	0	0	0	0	35	0	0	0	0	0	0	0	0	0	(125)	194	(609)	0	0	0	1,000	0	0	22,427
Supervision and Management	15,187	6	0	0	0	(250)	(13)	0	18	90	0	0	0	0	0	0	0	138	(247)	(137)	0	(112)	137	100	50	0	74	12	15,053
Special Services	4,562	(6)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18	0	0	(143)	0	0	0	0	54	0	4,484
Rent, rates, taxes & other charges	740	0	0	0	(97)	0	0	177	0	0	0	0	0	0	0	0	0	0	0	0	0	(11)	0	0	0	27	(111)	726	
Provision For Doubtful Debt	1,947	0	0	0	0	0	0	0	0	0	(307)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(0)	1,639
Capital Financing Costs	54,721	0	0	(56)	0	0	0	0	0	0	0	(15)	(1,084)	(576)	(650)	704	275	0	0	0	0	0	0	0	0	0	0	(0)	53,319
Contribution to Corporate & Democratic Core	295	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	295
TOTAL EXPENDITURE	99,882	0	0	(76)	(577)	(250)	(13)	177	18	125	(307)	(15)	(1,084)	(576)	(650)	704	275	138	(229)	(262)	194	(874)	137	100	50	1,000	156	(100)	97,943
Net surplus / (deficit)	(4,093)	0	(848)	(96)	1,341	250	13	(177)	69	(125)	307	(237)	1,084	576	650	(704)	(275)	(138)	229	262	(194)	935	(137)	(100)	(50)	(1,000)	(153)	114	(2,498)

	Rents & Service charges / R&M etc.				Costs of Government Policy changes		Cost of Council Policy changes	Changes in tenant behaviours	Changes in the capital programme & capital financing										Housing Review costs				Inflation							
	reclassifications	change in rent levels	change in property numbers	change in void levels	Pay to Stay	Welfare reform (inc delay in implementation of UC)	Council Tax on Voids	Right to Buy numbers	Disrepair	Bad Debts	changes in interest rates	Lower debt repayments due	Interest savings from previous debt repayments	Interest savings from lower than expected borrowing in 16/17	Deprecation on dwelling stock	Deprecation on non-dwelling stock	Area Review	Staff costs	Recharges	Gateway properties	Other savings	Temporary project support staff	Investment in IT systems	Others (inc consultations with tenants)	Redundancy costs provision	General	Others	Budget 17/18		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Day to Day Repairs	5,885	0	(14)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(151)				0	0	0	5,720	25.5%	
Relet repairs	5,085	0	0	(480)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	70				0	0	0	4,675	20.8%	
Gas Servicing & Heating Repairs	2,425	0	(6)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(124)				0	0	0	2,295	10.2%	
Planned / cyclical repairs	2,962	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(326)				0	0	0	2,636	11.8%	
Other Mechanical, Electrical & Specialist Repairs	897	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(92)				0	0	0	805	3.6%	
KWL Overheads & other costs	4,592	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(125)	0	0			0	0	0	4,467	19.9%		
Sundry other costs	85	0	0	0	0	0	0	0	35	0	0	0	0	0	0	0	0	0	0	0	194	15		0	0	0	329	1.5%		
Contingency	500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		0	0	0	500	2.2%		
Provision for redundancies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			1,000	0	0	0	1,000	4.5%	
	22,431	0	(19)	(480)	0	0	0	0	35	0	0	0	0	0	0	0	0	0	(125)	194	(609)	0	0	0	1,000	0	0	0	22,427	

R&M historical spend (excl. mobilisation/redundancy costs)



	2012-13			2013-14			2014-15			2015-16			2016-17		
	<u>budget</u>	<u>outturn</u>	<u>variance</u>	<u>budget</u>	<u>outturn</u>	<u>variance</u>	<u>budget</u>	<u>outturn</u>	<u>variance</u>	<u>budget</u>	<u>outturn</u>	<u>variance</u>	<u>budget</u>	<u>Proj'n (Nov)</u>	<u>variance</u>
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Day to Day Repairs	6,297	5,788	(509)	6,000	5,982	(18)	6,000	5,987	(13)	5,994	5,970	(24)	5,885	5,885	0
Relet Repairs	4,352	3,825	(527)	4,956	4,888	(68)	4,690	4,653	(37)	5,062	4,522	(540)	5,085	4,785	(300)
Planned/Cyclical Repairs	2,645	2,603	(42)	2,220	2,059	(161)	3,677	3,654	(23)	3,071	2,589	(482)	2,962	2,912	(50)
Gas & Heating Repairs (Inc. Gas DTD)	2,483	2,324	(159)	2,352	2,394	42	2,539	2,437	(102)	2,432	2,349	(83)	2,425	2,405	(20)
Other Mechanical, Electrical & Specialist Repairs	469	374	(95)	368	440	72	721	771	50	1,202	1,208	6	897	841	(56)
Other Costs - Overheads, Vehicles, etc.	935	658	(277)	75	78	3	75	72	(3)	85	86	1	85	100	15
KWL overheads	4,392	4,471	79	4,879	4,876	(3)	4,715	4,574	(141)	4,653	4,653	0	4,653	4,567	(86)
Contingency	0	0	0	752	6	(746)	781	0	(781)	475	97	(379)	500	500	0
Project Agreement Mobilisation Provisions	2,579	2,186	(394)			0			0			0			0
	24,152	22,229	(1,923)	21,602	20,722	(880)	23,198	22,149	(1,049)	22,974	21,475	(1,499)	22,492	21,995	(497)

Budget changes 17/18 - management costs

Annex 22

	Rents & Service charges / R&M etc.				Costs of Government Policy changes		Cost of Council Policy changes	Changes in tenant behaviours		Changes in the capital programme & capital financing							Housing Review costs				Inflation			Budget 17/18				
	reclassifications	change in rent levels	change in property numbers	change in void levels	Pay to Stay	Welfare reform (inc delay in implementation of UC)	Council Tax on Voids	Right to Buy numbers	Disrepair	Bad Debts	changes in interest rates	Lower debt repayments due	Interest savings from previous debt repayments	Interest savings from lower than expected borrowing in 16/17	Depreciation on dwelling stock	Depreciation on non-dwelling stock	Area Review	Staff costs	Recharges	Gateway properties	Other savings	Temporary project support staff	Investment in IT systems	Others (inc consultations with tenants)	Redundancy costs provision	General	Others	Budget 17/18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(a) supervision & management																												
Area Management Costs	4,495	0	0	0	0	0	0	0	0		0	0	0	0	0	0	138	0	0	0	51	0	0	0	0	45	(0)	4,730
Area Based Spend	391	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	391
Homesearch	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other housing costs	2,053	20	0	0	0	(34)	0	0	0		0	0	0	0	0	0	0	(67)	0	0	(46)	84	73	0	0	13	5	2,100
Housing Investment Services	1,144	(20)	0	0	0	0	0	0	0		0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	10	(0)	1,138
Leasehold & claims management	93	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	(0)	94
Customer Feedback	137	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	139
Housing Strategy	548	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	(80)	0	0	(65)	0	0	0	0	3	(0)	406
Central Recharges	4,143	6	0	0	0	21	0	18	0		0	0	0	0	0	0	0	(137)	0	0	(52)	54	27	0	0	1	6	4,087
Welfare Reform	326	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	(29)	0	0	0	0	0	0	0	0	0	298
Insurance Claims	410	0	0	0	0	0	0	0	90		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	500
Homeless Properties	70	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	70
Past Service Pension Contributions	875	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	(75)	0	0	0	0	0	0	0	0	0	800
Contingency	500	0	0	0	(250)	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	50	0	0	0	300
	15,187	6	0	0	0	(250)	(13)	0	90	0	0	0	0	0	0	0	138	(247)	(137)	0	(112)	137	100	50	0	74	12	15,053
Welfare Reform																												
Pay	56	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	(29)	0	0	0	0	0	0	0	0	0	28
Hardship fund	250	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	250
Others	20	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20
	2,094	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19	0	0	0	0	19	(19)	2,113
(b) special services																												
Sheltered	1,112	(6)	0	0	0	0	0	0	0		0	0	0	0	0	0	0	3	0	0	(13)	0	0	0	0	27	0	1,122
Caretakers & concierge	654	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	15	0	0	0	0	0	0	0	6	0	675
Grounds maintenance & trees	1,576	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(11)	0	0	0	0	0	0	1,565
Street cleaning & lighting	50	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	30	0	0	0	0	0	0	80
Communal areas	1,022	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(111)	0	0	0	0	19	0	929
Joint Occasional Fund	20	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	20
LD/MH properties	37	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(23)	0	0	0	0	2	0	16
Domestic Abuse Partnership	92	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(15)	0	0	0	0	0	0	77
	4,562	(6)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18	0	0	(143)	0	0	0	0	54	0	4,484
(c) rent, rates & other taxes																												
Council Tax on voids	370	0	0	0	(97)	0	0	177	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22	0	473
Area Offices	164	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	2	0	167
Premises Insurance	133	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(112)	21
Sheltered	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other premises costs	73	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(12)	0	0	0	0	3	0	65
	740	0	0	0	(97)	0	0	177	0	0	0	0	0	0	0	0	0	0	0	0	(11)	0	0	0	0	27	(111)	726
(d) Corporate & Democratic Core																												
CDC	295	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	295
	295	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	295

Budget changes 17/18 - recharges

Annex 23

	Rents & Service charges / R&M etc.			Costs of Government Policy changes		Cost of Council Policy changes	Changes in tenant behaviours	Changes in the capital programme & capital financing										Housing Review costs					Inflation		Budget 17/18				
	reclassifications	change in rent levels	change in property numbers	change in void levels	Pay to Stay	Welfare reform (inc delay in implementation of UC)	Council Tax on Voids	Right to Buy numbers	Disrepair	Bad Debts	changes in interest rates	Lower debt repayments due	Interest savings from previous debt repayments	Interest savings from lower than expected borrowing in 16/17	Depreciation on dwelling stock	Depreciation on non-dwelling stock	Area Review	Staff costs	Recharges	Gateway properties	Other savings	Temporary project support staff	Investment in IT systems	Others (inc consultations with tenants)	Redundancy costs provision	General	Others		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
(a) supervision & management																													
Finance	433	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	54	0	0	0	1	0	487	
HR	186	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	186	
IT	944	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	27	0	0	0	0	971	
Procurement	23	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23	
Legal	559	0	0	0	0	0	21	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	580	
IBC	86	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	86	
Comms	52	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52	
Property	278	(134)	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	143	
Valuations	0	10	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	
RTB	0	47	0	0	0	0	0	18	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	65	
Pay to Stay	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(52)	0	0	0	0	0	0	0	
Rents	100	84	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(52)	0	0	0	0	0	6	138	
CSC	847	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	(17)	0	0	0	0	0	0	0	0	830	
ASB	466	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	(93)	0	0	0	0	0	0	0	0	373	
Rent collection	36	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	36	
Equalities	24	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24	
Others	111	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	(27)	0	0	0	0	0	0	0	0	84	
	4,143	6	0	0	0	0	21	0	18	0	0	0	0	0	0	0	0	0	(137)	0	(52)	54	27	0	0	1	6	4,087	
(b) special services																													
Streetscene - Grounds Maintenance & Trees	1,576	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	(11)	0	0	0	0	0	0	1,565	
Streetlighting & streetcleaning	50	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	30	0	0	0	0	0	80		
Building Cleaning	468	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	19	(19)	468		
	2,094	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19	0	0	0	0	19	(19)	2,113	
(c) KWL Overheads																													
Within R&M	4,592	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(125)	0	0	0	0	0	0	0	0	4,467	
Within Capital	2,250																	0	(250)	0	0						0	2,000	
Within Adaptations	353																	0	0	0	0						0	353	
	7,195	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(375)	0	0	0	0	0	0	0	0	6,821	
Total recharges	13,432	6	0	0	0	0	21	0	18	0	0	0	0	0	0	0	0	0	(512)	0	(32)	54	27	0	0	19	(13)	13,021	

House Mark data

Annex 24 (1)

(a) HouseMark Core Benchmarking data - compared to all

Cost Measures	2014/15	benchmark	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Total cost per property of housing management	£327.40	1	£334.11	1	41	258	37	↓
Total cost per property of lettings	£77.47	3	£79.57	3	164	257	155	↓
Total cost per property of arrears/rent collection	£100.76	1	£104.86	1	42	257	38	↓
Total cost per property of tenancy management	£87.01	2	£89.96	2	83	257	78	↓
Total cost per property of resident involvement	£20.83	1	£20.05	1	14	257	15	↑
Total cost per property of anti-social behaviour	£41.33	1	£39.67	1	56	257	59	↑
Total cost per property of estate services	£127.26	2	£122.16	2	79	258	83	↑
Total cost/prop. of major works & cyclical maint.	£1,422	2	£1,394	2	110	258	120	↑
Total cost per property of repairs and void works	£647.07	1	£673.60	1	49	258	34	↓

LETTINGS PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Average time in days to re-let empty properties	27.8	3	141	251	166	↑
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	4	209	257	218	↑

ARREARS/RENT COLLECTION PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Percentage of rent collected (excluding current arrears brought forward)	99.53%	3	145	257	169	↑
Current tenant rent arrears as % of rent due	2.04%	2	81	257	63	↓
Former tenant rent arrears as % of rent due	1.01%	2	105	256	115	↑
Gross arrears written off as % of rent due	0.57%	3	179	257	181	↑

TENANCY MANAGEMENT PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% of respondents satisfied with overall service provided	87.0%	3	116	219	89	↓
Tenancy Turnover	8.54%	3	165	256	208	↑

RESIDENT INVOLVEMENT PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied that their views are being listened to and acted upon	68.0%	3	134	209	106	↓

ASB PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Direct cost per case of Anti-Social Behaviour	£315.12	1	18	232	19	↑
Percentage of anti-social behaviour cases successfully resolved	87.2%	4	152	206	138	↓

ESTATE SERVICES PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with their neighbourhood as a place to live	79.3%	4	194	214	136	↓

MAJOR WORKS & CYCLICAL MAINTENANCE PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with the overall quality of their home	80.9%	4	162	209	144	↓
Percentage of dwellings failing to meet the Decent Homes Standard	1.13%	4	220	253	230	↑
Average SAP rating of self-contained dwellings	63.9	4	236	241	237	↑
Landlord Gas Safety Record %	99.86%	4	221	255	237	↑

RESPONSIVE REPAIRS & VOID WORKS PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with the way their Landlord deals with repairs and maintenance	84.7%	2	75	208	88	↑
Average number of calendar days taken to complete repairs	7.7	2	86	238	87	↑
Average cost of a responsive repair	£115.21	2	99	254	124	↑
Percentage of repairs completed at the first visit	91.8%	3	103	193	112	↑
Average cost of a void repair	£2,819	3	159	256	132	↓
Average re-let time in days (standard re-lets)	27.8	3	141	251	166	↑
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	4	209	257	218	↑

Key	
1	upper quartile (top 25%)
2	upper middle quartile (top 50%)
3	lower middle quartile (bottom 50%)
4	lower Quartile (bottom 25%)

Direction of Travel	
↔	No change
↑	Improving
↓	Worsening

HOUSEMARK CORE BENCHMARKING QUARTILES 2015/16

Cost Measures	2015/16	Upper	Median	Lower
Total cost per property of housing management	£334.11	£365.99	£448.43	£553.62
Total cost per property of lettings	£79.57	£50.96	£68.83	£87.77
Total cost per property of arrears/rent collection	£104.86	£111.51	£140.90	£172.80
Total cost per property of tenancy management	£89.96	£81.64	£108.00	£152.45
Total cost per property of resident involvement	£20.05	£40.93	£59.28	£80.74
Total cost per property of anti-social behaviour	£39.67	£43.15	£59.03	£78.81
Total cost per property of estate services	£122.16	£112.70	£168.76	£231.39
Total cost/prop. of major works & cyclical maint.	£1,394	£1,278	£1,497	£1,933
Total cost per property of repairs and void works	£673.60	£710.74	£802.29	£925.34

LETTINGS PIs	2015/16	Upper	Median	Lower
Average time in days to re-let empty properties	28	19.1	25.0	32.7
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	0.59%	0.90%	1.39%

ARREARS/RENT COLLECTION PIs	2015/16	Upper	Median	Lower
Percentage of rent collected (excluding current arrears brought forward)	99.5%	99.93%	99.60%	99.18%
Current tenant rent arrears as % of rent due	2.04%	1.83%	2.62%	3.81%
Former tenant rent arrears as % of rent due	1.01%	0.75%	1.20%	1.76%
Gross arrears written off as % of rent due	0.57%	0.21%	0.39%	0.68%

TENANCY MANAGEMENT PIs	2015/16	Upper	Median	Lower
% of respondents satisfied with overall service provided	87.0%	90.6%	87.7%	83.2%
Tenancy Turnover	8.54%	5.79%	7.44%	9.35%

RESIDENT INVOLVEMENT PIs	2015/16	Upper	Median	Lower
% satisfied that their views are being listened to and acted upon	68.0%	76.0%	71.9%	65.9%

ASB PIs	2015/16	Upper	Median	Lower
Direct cost per case of Anti-Social Behaviour	£315.12	£499.74	£724.18	£1,387.29
Percentage of anti-social behaviour cases successfully resolved	87.2%	99.4%	95.6%	86.8%

ESTATE SERVICES PIs	2015/16	Upper	Median	Lower
% satisfied with their neighbourhood as a place to live	79.3%	89.0%	86.0%	82.9%

MAJOR WORKS & CYCLICAL MAINTENANCE PIs	2015/16	Upper	Median	Lower
% satisfied with the overall quality of their home	80.9%	88.8%	85.9%	81.4%
Percentage of dwellings failing to meet the Decent Homes Standard	1.13%	0.00%	0.00%	0.16%
Average SAP rating of self-contained dwellings	63.9	72.3	70.4	68.2
Landlord Gas Safety Record %	99.86%	100%	100%	99.95%

RESPONSIVE REPAIRS & VOID WORKS PIs	2015/16	Upper	Median	Lower
% satisfied with the way their Landlord deals with repairs and maintenance	1.1%	86.80%	82.15%	76.55%
Average number of calendar days taken to complete repairs	7.7	6.8	8.6	10.6
Average cost of a responsive repair	£115.21	£103.98	£123.70	£157.55
Percentage of repairs completed at the first visit	91.8%	95.7%	92.1%	87.3%
Average cost of a void repair	£2,819	£1,837	£2,445	£3,231

Key	
1	upper quartile (top 25%)
2	upper middle quartile (top 50%)
3	lower middle quartile (bottom 50%)
4	lower Quartile (bottom 25%)

Direction of Travel	
↔	No change
↑	Improving
↓	Worsening

House Mark data

Annex 24 (2)

(b) HouseMark Core Benchmarking data - compared to orgns with >15k units

Cost Measures	2014/15	benchmark	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Total cost per property of housing management	£327.40	1	£334.11	1	10	38	10	↑↑↔
Total cost per property of lettings	£77.47	3	£79.57	3	28	38	27	↑↔↔
Total cost per property of arrears/rent collection	£100.76	1	£104.86	2	11	38	10	↑↔↔
Total cost per property of tenancy management	£87.01	2	£89.96	2	19	38	17	↑↔↔
Total cost per property of resident involvement	£20.83	1	£20.05	1	2	38	3	↑↑↔
Total cost per property of anti-social behaviour	£41.33	1	£39.67	1	8	38	10	↑↑↔
Total cost per property of estate services	£127.26	2	£122.16	2	14	38	16	↑↑↔
Total cost/prop. of major works & cyclical maint.	£1,422	2	£1,394	2	16	38	20	↑↑↔
Total cost per property of repairs and void works	£647.07	1	£673.60	1	9	38	7	↑↔↔

LETTINGS PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Average time in days to re-let empty properties	27.8	3	20	36	24	↑↑↔
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	4	31	38	35	↑↑↔

ARREARS/RENT COLLECTION PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Percentage of rent collected (excluding current arrears brought forward)	99.53%	3	20	38	23	↑↑↔
Current tenant rent arrears as % of rent due	2.04%	2	13	38	9	↑↔↔
Former tenant rent arrears as % of rent due	1.01%	2	14	38	15	↑↑↔
Gross arrears written off as % of rent due	0.57%	3	24	38	26	↑↑↔

TENANCY MANAGEMENT PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% of respondents satisfied with overall service provided	87.0%	3	17	30	12	↑↔↔
Tenancy Turnover	8.54%	3	23	38	32	↑↑↔

RESIDENT INVOLVEMENT PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied that their views are being listened to and acted upon	68.0%	3	21	29	18	↑↔↔

ASB PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Direct cost per case of Anti-Social Behaviour	£315.12	1	5	33	6	↑↑↔
Percentage of anti-social behaviour cases successfully resolved	87.2%	3	20	28	18	↑↔↔

ESTATE SERVICES PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with their neighbourhood as a place to live	79.3%	4	30	31	21	↑↔↔

MAJOR WORKS & CYCLICAL MAINTENANCE PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with the overall quality of their home	80.9%	4	25	28	20	↑↔↔
Percentage of dwellings failing to meet the Decent Homes Standard	1.13%	3	33	37	36	↑↑↔
Average SAP rating of self-contained dwellings	63.9	4	37	37	37	↑↑↔
Landlord Gas Safety Record %	99.86%	4	31	38	35	↑↑↔

RESPONSIVE REPAIRS & VOID WORKS PIs	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with the way their Landlord deals with repairs and maintenance	84.7%	2	12	29	14	↑↑↔
Average number of calendar days taken to complete repairs	7.7	2	15	32	16	↑↑↔
Average cost of a responsive repair	£115.21	2	14	37	18	↑↑↔
Percentage of repairs completed at the first visit	91.8%	3	17	29	19	↑↑↔
Average cost of a void repair	£2,819	4	29	38	23	↑↔↔
Average re-let time in days (standard re-lets)	27.8	3	20	36	24	↑↑↔
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	4	31	38	35	↑↑↔

Key	
1	upper quartile (top 25%)
2	upper middle quartile (top 50%)
3	lower middle quartile (bottom 50%)
4	lower Quartile (bottom 25%)

Direction of Travel	
↔	No change
↑	Improving
↓	Worsening

HOUSEMARK CORE BENCHMARKING QUARTILES 2015/16

Cost Measures	2015/16	Upper	Median	Lower
Total cost per property of housing management	£334.11	£334.41	£385.05	£473.62
Total cost per property of lettings	£79.57	£48.66	£63.78	£81.28
Total cost per property of arrears/rent collection	£104.86	£103.55	£126.21	£150.31
Total cost per property of tenancy management	£89.96	£75.80	£90.93	£120.35
Total cost per property of resident involvement	£20.05	£33.59	£49.30	£61.18
Total cost per property of anti-social behaviour	£39.67	£42.61	£59.14	£71.03
Total cost per property of estate services	£122.16	£109.47	£135.85	£226.97
Total cost/prop. of major works & cyclical maint.	£1,394	£1,285	£1,422	£1,771
Total cost per property of repairs and void works	£673.60	£677.85	£740.56	£884.37

LETTINGS PIs	2015/16	Upper	Median	Lower
Average time in days to re-let empty properties	28	19.9	25.5	32.9
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	0.70%	0.98%	1.42%

ARREARS/RENT COLLECTION PIs	2015/16	Upper	Median	Lower
Percentage of rent collected (excluding current arrears brought forward)	99.5%	99.89%	99.55%	99.14%
Current tenant rent arrears as % of rent due	2.04%	1.95%	2.50%	3.09%
Former tenant rent arrears as % of rent due	1.01%	0.85%	1.27%	1.73%
Gross arrears written off as % of rent due	0.57%	0.24%	0.46%	0.71%

TENANCY MANAGEMENT PIs	2015/16	Upper	Median	Lower
% of respondents satisfied with overall service provided	87.0%	91.3%	88.0%	83.9%
Tenancy Turnover	8.54%	6.85%	8.00%	9.46%

RESIDENT INVOLVEMENT PIs	2015/16	Upper	Median	Lower
% satisfied that their views are being listened to and acted upon	68.0%	74.9%	72.5%	68.0%

ASB PIs	2015/16	Upper	Median	Lower
Direct cost per case of Anti-Social Behaviour	£315.12	£388.61	£526.56	£1,059.20
Percentage of anti-social behaviour cases successfully resolved	87.2%	100.0%	96.1%	84.5%

ESTATE SERVICES PIs	2015/16	Upper	Median	Lower
% satisfied with their neighbourhood as a place to live	79.3%	88.5%	86.0%	83.8%

MAJOR WORKS & CYCLICAL MAINTENANCE PIs	2015/16	Upper	Median	Lower
% satisfied with the overall quality of their home	80.9%	88.2%	85.7%	83.0%
Percentage of dwellings failing to meet the Decent Homes Standard	1.13%	0.00%	0.00%	17.00%
Average SAP rating of self-contained dwellings	63.9	72.3	70.9	68.0
Landlord Gas Safety Record %	99.86%	100%	99.99%	99.94%

RESPONSIVE REPAIRS & VOID WORKS PIs	2015/16	Upper	Median	Lower
% satisfied with the way their Landlord deals with repairs and maintenance	1.1%	87.8%	83.0%	76.0%
Average number of calendar days taken to complete repairs	7.7	6.0	8.2	10.4
Average cost of a responsive repair	£115.21	£111.08	£127.79	£152.28
Percentage of repairs completed at the first visit	91.8%	94.8%	92.9%	88.3%
Average cost of a void repair	£2,819	£1,638	£2,189	£2,815

Key	
1	upper quartile (top 25%)
2	upper middle quartile (top 50%)
3	lower middle quartile (bottom 50%)
4	lower Quartile (bottom 25%)

Direction of Travel	
↔	No change
↑	Improving
↓	Worsening

House Mark data

Annex 24 (3)

(c) HouseMark Core Benchmarking data - property data compared to all

2015/16

Cost Measures	2014/15	benchmark	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
Total cost/prop. of major works - service provision	£1,058.31	2	£1,049.82	2	115	258	122	↓
Total cost/prop. of major works - management	£63.13	1	£63.83	1	63	258	61	↓
Total cost/prop. of cyclical maintenance - service provision	£272.74	3	£252.73	3	138	258	160	↓
Total cost/prop. of cyclical maintenance - management	£27.50	1	£27.77	1	47	258	46	↓
Total cost/prop. of responsive repairs - service provision	£317.51	1	£354.01	2	67	258	32	↓
Total cost/prop. of responsive repairs - management	£45.14	1	£46.45	1	7	258	6	↓
Total cost/prop. of void works - service provision	£252.54	4	£240.78	4	197	258	204	↓
Total cost/prop. of void works - management	£31.87	2	£32.37	2	81	258	77	↓
Average cost of a void repair	£2,522.52	3	£2,819.44	3	159	256	132	↓

2015/16 Quartiles

Kpi	Upper	Median	Lower
Total cost/prop. of major works - service provision	815.92	1,072.11	1,432.33
Total cost/prop. of major works - management	64.36	98.40	135.23
Total cost/prop. of cyclical maintenance - service provision	160.62	243.25	314.85
Total cost/prop. of cyclical maintenance - management	32.91	49.60	68.92
Total cost/prop. of responsive repairs - service provision	352.94	428.40	516.77
Total cost/prop. of responsive repairs - management	91.00	121.34	170.07
Total cost/prop. of void works - service provision	149.43	187.82	238.39
Total cost/prop. of void works - management	29.64	40.70	59.51
Average cost of a void repair	1,836.73	2,444.51	3,231.42

MAJOR WORKS & CYCLICAL MAINTENANCE Pis	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with the overall quality of their home	80.9%	4	162	209	144	↓
Percentage of dwellings failing to meet the Decent Homes Standard	1.1%	4	220	253	230	↓
Average SAP rating of self-contained dwellings	63.9	4	236	241	237	
Landlord Gas Safety Record %	99.86%	4	221	255	237	↓

RESPONSIVE REPAIRS & VOID WORKS Pis	2015/16	benchmark	2016 Rank	Sample	2015 Rank	
% satisfied with the way their Landlord deals with repairs and maintenance	84.7%	2	75	208	88	↓
Average number of calendar days taken to complete repairs	7.7	2	86	238	87	
Average cost of a responsive repair	£115.21	2	99	254	124	↓
Percentage of repairs completed at the first visit	91.8%	3	103	193	112	↓
Average cost of a void repair	£2,819	3	159	256	132	↓
Average re-let time in days (standard re-lets)	28	3	141	251	166	↓
Rent loss due to empty properties (voids) as a percentage of rent due	1.62%	4	209	257	218	↓

MAJOR WORKS & CYCLICAL MAINTENANCE Pis	2015/16	Upper	Median	Lower
% satisfied with the overall quality of their home	80.9%	88.8%	85.9%	81.4%
Percentage of dwellings failing to meet the Decent Homes Standard	1.13%	0.00%	0.00%	0.16%
Average SAP rating of self-contained dwellings	63.9	72.3	70.4	68.2
Landlord Gas Safety Record %	99.86%	100.00%	100.00%	99.95%

RESPONSIVE REPAIRS & VOID WORKS Pis	2015/16	Upper	Median	Lower
% satisfied with the way their Landlord deals with repairs and maintenance	84.7%	86.80%	82.15%	76.55%
Average number of calendar days taken to complete repairs	7.7	6.8	8.6	10.6
Average cost of a responsive repair	£115.21	£103.98	£123.70	£157.55
Percentage of repairs completed at the first visit	91.8%	95.7%	92.1%	87.3%
Average cost of a void repair	£2,819	£1,837	£2,445	£3,231

Risk Register



4

	No plans/not started or actions not working. Still at Significant Risk
	Plans behind schedule. Still at Some Risk
	Plans on track. Risk being controlled

Service/Project/Area:								HRA Financial Risks - 2017 / 2018 onwards							
Risk Ref No.	Risk name	Budget Risk category	HCC strategic risk cat.	Risk Description	Risk Owner	Date Identified	Date Last Review	Impact (I)	Likelihood (L)	Risk Score (1 25) (I x L)	Existing Controls	Additional Treatment Actions	Date Action Due	Action Status (R, A or G)	Action Owner
Government Policy Changes or Calculations															
1	Government Rent Directions	Changes in Government policy	Fail to manage finances	<u>Government Rent Policy</u> Following on from the significant change in Government Policy with a 4 year imposition of 1% rent reductions there is a significant risk that rents will not revert to CPI+1% in 20/21. To mitigate this risk all future modelling assumes rents will increase by CPI only in future years. This policy is wholly outside our control and influence.	Dave Richmond	01/11/15	17/08/16	Major	Likely	16	This is not within the direct control of the Authority & whilst there <u>may</u> be national consultation on any proposals we may unable to influence the final decision.	Additional lobbying of Government should this appear likely or possible.			
2	Continued rent reductions	Changes in Government policy	Fail to manage finances	<u>Continued rent reductions beyond 5 years</u> the Government might continue the 1% rent reductions beyond 19/20. This policy is wholly outside our control and influence.	Dave Richmond	01/11/15	17/08/16	Catastrophic	Possible	15	This is not within the direct control of the Authority & whilst there <u>may</u> be national consultation on any proposals we may unable to influence the final decision.	Additional lobbying of Government should this appear likely or possible.			
3	Additional rent reductions	Changes in Government policy	Fail to manage finances	<u>Additional rent reductions above 1%</u> the Government might increase the 1% rent reductions to a higher figure. This policy is wholly outside our control and influence.	Dave Richmond	01/11/15	17/08/16	Catastrophic	Unlikely	10	This is not within the direct control of the Authority & whilst there <u>may</u> be national consultation on any proposals we may unable to influence the final decision.	Additional lobbying of Government should this appear likely or possible.			
4	SHVP levy	Changes in Government policy	Fail to manage finances	<u>Sale of Higher Value Properties calculations</u> The Government intends to issue an estimate of the money we were expected to raise through this policy and to require us to pay that amount irrespective of our actual sales receipts. Regulations have not yet been published and therefore at this stage it is impossible to make a reasonable estimate of the impact but Shelter produced an estimate across Authorities that suggested we could be faced with a bill for £15m per annum (£1m per annum is budgeted). It is thus a material risk that the Authority will be financially substantially worse off. Sufficient properties will need to be sold to raise receipts to achieve the quantum required and this could – if the number is material enough – require us to sell a significant number of properties as they become void with consequent impacts on our ability to service underlying housing demand. Moreover, significant sales could have a material impact on the wider housing market in the area if the volume is material. In the meantime, the Government (Autumn Statement 2016) announced funding for a large scale regional RtB pilot and the delay in implementation of the SHVP levy until 1/4/19 at the earliest. <i>Included within the bill is a statement that 'The regulations may provide for assumptions to be made in making a calculation, whether or not those assumptions are, or are likely to be, borne out by events.'</i>	Dave Richmond	01/11/15	17/08/16	Catastrophic	Likely	20	This is not within the direct control of the Authority & whilst there <u>may</u> be national consultation on any proposals we may unable to influence the final decision.	Additional lobbying of Government. Lobbying in relation to the principle has been wholly unsuccessful to date.			
5	Debt Cap	Changes in Government policy	Fail to manage finances	<u>Debt Cap</u> That the Government may introduce mandatory repayment of debt over and above that required following RTB sales. Whilst some headroom presently exists that will be utilised in the medium term and any such changes could force the automatic repayment of debt thus eroding reserves and potentially placing the HRA into deficit.	Dave Richmond	01/11/15	17/08/16	Major	Possible	12	This is not within the direct control of the Authority & whilst there <u>may</u> be national consultation on any proposals we may unable to influence the final decision.	Additional lobbying of Government. Some headroom presently exists but this is projected to be used in the medium term.			
6	Reserves sequestration	Changes in Government policy	Fail to manage finances	<u>Reserves</u> Following on from the levies on income (Pay to Stay) and asset values (Sale of High Value Properties) the Government may further decide to sequester a proportion of reserves.	Dave Richmond	01/11/15	17/08/16	Major	Unlikely	8	This is not within the direct control of the Authority & whilst there <u>may</u> be national consultation on any proposals we may unable to influence the final decision.	Additional lobbying of Government			
Tenant choices															

Risk Register



4

	No plans/not started or actions not working. Still at Significant Risk
	Plans behind schedule. Still at Some Risk
	Plans on track. Risk being controlled

Service/Project/Area:							HRA Financial Risks - 2017 / 2018 onwards									
-----------------------	--	--	--	--	--	--	---	--	--	--	--	--	--	--	--	--

Risk Ref No.	Risk name	Budget Risk category	HCC strategic risk cat.	Risk Description	Risk Owner	Date Identified	Date Last Review	Impact (I)	Likelihood (L)	Risk Score (1 25) (I x L)	Existing Controls	Additional Treatment Actions	Date Action Due	Action Status (R, A or G)	Action Owner
7	RtB sales	Others	Fail to manage finances	<u>Right to Buy Sales</u> Additional Government publicity of the scheme is regularly seen with quarterly or thereabouts marketing initiatives. Fixed Term Tenancies are also likely to exacerbate RTBs over the medium term. Increased RTB sales are detrimental to the Authorities finances as they reduce net income and we do not retain the additional receipts for day to day operations.	Dave Richmond	01/11/15	17/08/16	Major	Possible	12	This is wholly outside our ability to influence. The RTB process is a statutory one which we must follow with very few properties that can be excluded. Government publicity drives are likely to increase.				
8	Larger Properties	Others	Fail to manage finances	<u>Desirability of larger properties</u> Impacts of the benefits cap mean that 4 bedroom properties may be unaffordable to people on benefits either through not having help with their rent or under-occupying and facing bedroom tax issues. Moreover, tenants not paying benefits are more likely to be affected by the Pay to Stay requirements, to be charged Market Rent and to exercise RTBs. It may thus be that remaining 4 bed properties especially – and 3 bed properties to an extent – become highly problematic to let.	Dave Richmond	01/11/15	17/08/16	Major	Likely	16	How tenants perceive the desirability of larger properties will ultimately be a reflection of factors outside our control. To mitigate this we are considering amendments to the lettings policies to ensure we do not exclude people who may wish to let properties, will reflect changing demand in stock options appraisals and choices of properties we decide to sell to raise the money to pay the levy on Sale of Higher Value Properties.				
Welfare Reform and Tenants access to benefits															
9	Benefits Cap	Welfare Reform	Fail to manage finances	<u>Benefits Cap</u> The lowering of the benefits cap to £20k per household (£13.4k for a single person) will make a number of properties unaffordable and probably see increased difficulties in collecting rent. We expect between 300 and 500 families to be initially affected but data from DWP isn't wholly reliable at this juncture.	Dave Richmond	01/11/15	17/08/16	Moderate	Almost Certain	15	This is wholly outside our ability to influence directly. Tenants who may be at risk have been initially identified and offered assistance, signposting etc. where we can. Additionally work is being undertaken with DWP to highlight cases most at risk so they can be supported into options to enter training and employment. Whilst these may assist they are unlikely to make a material dent in the overall scale of the problem.				
10	Universal Credit	Welfare Reform	Fail to manage finances	<u>Universal credit</u> Universal credit commences in Feb 2016 in the area with tenants receiving full allowances and having to make rent payments to the Council directly. This will inevitably increase transaction costs and increase the incidences of bad debts. Experience from other authority areas indicates that there will be a sizeable cohort of tenants who will make no attempt to pay their rent and – whilst we have the ability to have rent paid directly to us by DWP after a period – the additional workload and bad debts may significantly exceed budget provisions.	Dave Richmond	01/11/15	17/08/16	Moderate	Almost Certain	15	Additional staffing resources are in place and a number of interventions to assist tenants including help with mutual exchange, money advice, help to claim DHPs. However, these interventions are probably likely to be inadequate given the scale of the challenge ahead.				
11	Local Housing Allowances	Welfare Reform	Fail to manage finances	<u>Local Housing Allowances</u> The Government intends that new tenants will be subject to a cap on the amount they can claim in Housing Benefit equal to the Local Housing Allowance in future. This comes in from 1/4/19 based on new tenancies taken up from 1/4/16 from those on Housing Benefit (i.e. does not affect those tenants at 31/3/16) but for all tenants in Supported Housing or receiving the Housing Element of Universal Credit irrespective of when their tenancy commenced. For single people under the age of 35 this will be at the shared accommodation rate (excl Supported Housing). Potentially there are nearly 5,700 properties where the rent plus service charges are greater than the Local Housing Allowance with an annual potential gap of between £1.3m and £1.8m depending on the age of the occupant. Some of these properties will already be affected by Bedroom Tax issues and it will take between 5 & 10 years for the majority of such properties to be affected (i.e. for the tenant to change). This impact includes pensioner households.	Dave Richmond	17/08/16	17/08/16	Moderate	Almost Certain	15	This is wholly outside our ability to directly influence. To mitigate this we will be looking at amendments to lettings policies to ensure we do not exclude people who may wish to rent our properties and can afford to do so. However this client group, especially those under the age of 35, will have little or no options other than access to employment or training.				

Risk Register



4

	No plans/not started or actions not working. Still at Significant Risk
	Plans behind schedule. Still at Some Risk
	Plans on track. Risk being controlled

Service/Project/Area:								HRA Financial Risks - 2017 / 2018 onwards							
Risk Ref No.	Risk name	Budget Risk category	HCC strategic risk cat.	Risk Description	Risk Owner	Date Identified	Date Last Review	Impact (I)	Likelihood (L)	Risk Score (1 25) (I x L)	Existing Controls	Additional Treatment Actions	Date Action Due	Action Status (R, A or G)	Action Owner
12	18-21 year olds	Welfare Reform	Fail to manage finances	<u>Benefits for 18-21 year olds</u> From April 2017 housing benefit will be restricted for this group of tenants and they will only receive it by exception – for example if they are vulnerable or have children. There are presently around 500 single people in this age range actively bidding on properties at any one time. This may lead to either an inability of existing tenants to afford to pay their rent, a reduced ability to let properties (& thus increasing voids) for those properties most favoured by this group or a combination of the two.	Dave Richmond	17/08/16	17/08/16	Moderate	Likely	12	This is wholly outside our ability to directly influence. There are no current mitigations available for this client group (except those who are defined as vulnerable or have children).				
13	Bad Debts	Welfare Reform	Fail to manage finances	<u>Bad Debts</u> The combination of welfare changes – the Benefits Cap, Universal Credit, the Local Housing Allowance – may place significant pressures on the ability of tenants on benefits to afford to pay their rents and service charges as they fall due. Early indications from those tenants on Universal Credit are far from encouraging with c 80% in initial arrears. In this context we may see significant increases in the costs of bad debts.	Dave Richmond	17/08/16	17/08/16	Major	Likely	16	Additional staffing resources are in place and a number of interventions to assist tenants including help with mutual exchange, money advice, help to claim DHPs. However, these interventions are probably likely to be inadequate given the scale of the challenge ahead.				
14	Welfare Reform	Welfare Reform	Fail to manage finances	<u>Welfare Reform (General)</u> Challenges around Welfare Reform result in the service being overwhelmed by changes required to enact legislation, responding to tenants queries or increased workload as other tenants support mechanisms are reduced through other public sector savings (including within Hull CC) and being unable to recruit staff to deal with the volume of work generated.	Dave Richmond	15/01/13	17/08/16	Major	Likely	16	Additional staffing resources are in place and a number of interventions to assist tenants including help with mutual exchange, money advice, help to claim DHPs. However, these interventions are probably likely to be inadequate given the scale of the challenge ahead.	Jam jar accounts in place to help those impacted by universal credit. Additionally monitoring of other authorities to be fed into detailed planning for implementation.			
Housing & Planning Act implications															
15	Lifetime tenancies	Welfare Reform	Fail to manage finances	<u>Lifetime tenancies</u> The requirement for new tenancies to be offered on a fixed term basis (with an expectation that 5 years would be the default period but potentially up to 10 years being possible) combined with the concomitant requirement to review the tenancies at the end of their term (with an expectation that we should be encouraging into home ownership those that can afford it) will lead to greater turnover in stock in the longer term. Moreover it increases the risk that tenants will view our properties as more transitional and thus will be less likely to invest in them or to take care of them.	Dave Richmond	17/08/16	17/08/16	Moderate	Possible	9	This is not within the direct control of the Authority & whilst there will be national consultation on the technical aspects of the proposals we may unable to influence the final decision. It is likely that that outcome of this will be driven by explicit regulations. There may be scope at the point of the review period at the end of the tenancy to influence whether tenancies are renewed but that would only be pertinent from 2022/23 onwards.	The tenancy policy, practices and procedures will need to be updated to reflect the legislative changes and to be interpreted as best as we can to our advantage, although scope is likely to be substantially constrained.			
16	SHVP - physical sale of properties	Others	Fail to manage finances	<u>Sale of Higher Value Properties: Physical sale of properties</u> Should the number of properties required to be sold be significant then we will need to devise an appropriate procedure to sell properties with the risk that: (1) Properties may take longer to sell than anticipated leading to an increase in voids whilst the sale process takes place (2) The methodology chosen to sell and market properties may be more expensive than expected (3) The location, number and type of properties sold may impact upon the wider city wide housing market leading to insufficient funds being raised to fund the levy.	Nic Harne	17/08/16	17/08/16	Moderate	Likely	12	No current existing controls as new policy yet to be introduced.	Explore options for sale once the details set out in the Housing and Planning Bill are clearer. Number of properties to be sold to be derived from the yet to be issued Regulations by the secretary of state.			
Stock condition and underlying data integrity															

Risk Register



4

	No plans/not started or actions not working. Still at Significant Risk
	Plans behind schedule. Still at Some Risk
	Plans on track. Risk being controlled

Service/Project/Area:								HRA Financial Risks - 2017 / 2018 onwards								
Risk Ref No.	Risk name	Budget Risk category	HCC strategic risk cat.	Risk Description	Risk Owner	Date Identified	Date Last Review	Impact (I)	Likelihood (L)	Risk Score (1 25) (I x L)	Existing Controls	Additional Treatment Actions	Date Action Due	Action Status (R, A or G)	Action Owner	
17	Stock condition info	Standards	Fail to manage finances	That the stock condition information we hold is inaccurate or an insufficient number of surveys are completed, leading to a need to spend more or less than is needed to maintain the stock appropriately.	Mark Robinson	01/12/11	17/08/16	Moderate	Possible	9	The contract management function within the Housing service regularly reviews and maintains the asset database allowing regular and accretive changes to be made to the underlying stock condition information, which is underpinned by periodic contractor surveys. The volume of stock condition surveys needs to be increased.					
Housing Systems updates																
18	IT Systems Capacity	Others	Fail to manage finances	<u>Housing systems</u> The multiplicity of changes that are taking place that require major changes to the IT system could materially impact on our ability to inform tenants and collect appropriate levels of rent should they not be successful, resources to undertake the work are not available or the software not perform as expected. These include (1) the need to implement systems to capture and process pay to stay information alongside the need to separate income received (2) the need to capture significant amounts of data from DWP and other agencies on tenants (for example around Universal Credit information) (3) the need to develop new electronic data management and information storage systems leading to loss of income or efficiency	Lynn Williams	17/08/16	17/08/16	Moderate	Possible	9	IT exists in a structured and controlled environment but there will be significant calls on the limited resources that are available which will have to be balanced with other (non housing) projects at times. HRA funding to employ consultants is available (but Council wide constraints on the use of consultants may mean that the ability to access such resources is constrained).					
Other operational issues																
19	Empty Properties	Overspending	Fail to manage finances	<u>Empty Properties</u> That (1) The end to end time for turning round empty properties continues to decline with a consequent loss of income (HouseMark benchmarking indicates average time to relet is third quartile and the overall numbers are increasing) (2) That the cost of repairing void properties is not reduced (HouseMark benchmarking indicates cost of service provision is lower quartile)	Mark Robinson	17/08/16	17/08/16	Moderate	Possible	9	There is a heavy onus on the contract management function within the Housing service to ensure that the appointed providers of this work deliver to the expected quality and timeframes within the budgets that are available.					
20	Property spend	Overspending	Fail to manage finances	That spend on properties (capital & repairs and maintenance) is not contained within the sums available.	Mark Robinson	01/12/11	17/08/16	Moderate	Possible	9	There is a heavy onus on the contract management function within the Housing service to ensure that the appointed providers of this work deliver to the expected quality within the budgets that are available.					
21	Management spend	Overspending	Fail to manage finances	That management spending is not contained within the available budget, and / or that expected levels of performance are not achieved	Mark McEgan	01/12/11	17/08/16	Moderate	Possible	9	The arrangements are now well understood and the delivery of services on the ground are stable and well understood. There is a danger that, in meeting general fund savings, pressure to charge costs to the HRA will grow &/or that as working becomes less traditionally service specific the boundaries between what should and should not be charged to the HRA is more difficult to ascertain and enforce.					

Risk Register



4

	No plans/not started or actions not working. Still at Significant Risk
	Plans behind schedule. Still at Some Risk
	Plans on track. Risk being controlled

Service/Project/Area:								HRA Financial Risks - 2017 / 2018 onwards							
Risk Ref No.	Risk name	Budget Risk category	HCC strategic risk cat.	Risk Description	Risk Owner	Date Identified	Date Last Review	Impact (I)	Likelihood (L)	Risk Score (1 25) (I x L)	Existing Controls	Additional Treatment Actions	Date Action Due	Action Status (R, A or G)	Action Owner
22	Recharges	Overspending	Fail to manage finances	That recharges to the HRA are unreasonable or the basis of recharge is inappropriate.	Steve Shirra	13/12/11	17/08/16	Moderate	Possible	9	There are SLAs in place for nearly all recharges with regular reviews undertaken during the year. The recharge and allocation of costs between the HRA and General Fund must be undertaken in such a way that the HRA only pays for costs associated with the provision and maintenance of HRA housing and costs must be fairly allocated between the two. In an environment of challenging savings required across Council budgets the temptation to increase charges must be avoided and the long term assessment of any charges to the HRA appropriately considered.	Tenants will continue to exercise challenge and scrutiny over the HRA budgets.			
23	Interest rates	Others	Fail to manage finances	That the costs of borrowing (i.e. interest rates) increases. Rates are historically very low and have recently fallen further. Under the Housing Subsidy system we were partially protected from this risk by central Government but under Self Financing we are fully exposed to inflation risks. <i>Under the Housing Subsidy system we were protected from this risk by central Government but under Self Financing we are fully exposed to interest rate risks.</i>	Mike Armstrong / Graeme Smith	01/12/11	17/08/16	Moderate	Possible	9	This is not an area we can directly control, but through treasury management we attempt to mitigate the short to medium term impact through constructing an appropriate loan portfolio with a mixture of loans that mature over different timeframes and by repaying debt when appropriate.				
24	Inflation	Others	Fail to manage finances	That the level of inflation increases. Whilst rates are historically very low there has been a recent trend of rates marginally increasing and forecasters have - particularly after the EU Referendum result - been indicating likely increases in inflation. <i>Under the Housing Subsidy system we were partially protected from this risk by central Government but under Self Financing we are fully exposed to inflation risks.</i>	Bank of England	01/12/11	17/08/16	Moderate	Possible	9	This is counterbalanced by the corresponding increase in rental income once rents revert to an increase based on CPI.				
25	Accounting Standards	Others	Fail to manage finances	There are presently two potential technical changes that could impact on the HRA. IFRS 15 relates to revenue recognition. Mazars believe this standard will have little impact on the General Fund/HRA position. IFRS 9 replaces IAS 39 (Financial Instruments). Main impact is the method used for impairing financial instruments. This is will involve applying a new impairment model to each individual instrument which the Council holds. Mazars believe the impact on the accounts will be minimal.	Mike Armstrong / Graeme Smith	01/12/11	17/08/16	Minor	Unlikely	4					
Brex															

Risk Register



4

	No plans/not started or actions not working. Still at Significant Risk
	Plans behind schedule. Still at Some Risk
	Plans on track. Risk being controlled

Service/Project/Area:							HRA Financial Risks - 2017 / 2018 onwards								
-----------------------	--	--	--	--	--	--	---	--	--	--	--	--	--	--	--

Risk Ref No.	Risk name	Budget Risk category	HCC strategic risk cat.	Risk Description	Risk Owner	Date Identified	Date Last Review	Impact (I)	Likelihood (L)	Risk Score (1 25) (I x L)	Existing Controls	Additional Treatment Actions	Date Action Due	Action Status (R, A or G)	Action Owner
26	Brexit	Others	Fail to manage finances	BREXIT There are a wide range of potential impacts upon the housing service directly as a consequence of Brexit, and how negotiations may or may not pan out over the coming months and years. Many of these are extremely difficult to quantify at a local level, if not impossible. Whilst they are – in effect – known unknowns they could have material impacts upon the following areas: - The overall state of the economy could see reduced activity with consequent higher unemployment and thus reliance on housing benefit/ universal credit across our tenant base - Resultant lower Government tax receipts might result with either an additional focus on restraining the Housing Benefit Budget or a direct sequestration of assets (perhaps through a higher SHVP levy than would otherwise have been the case) - Government may choose to restrain overall public sector borrowing with reductions in our debt cap - Interest rates could change over time, with delayed benefit for us if they declined as many of our loans are fixed - Inflationary impacts – especially in relation to a falling pound – could be significant, particularly around capital projects and raw materials. There could be a shortage of construction labour in the more medium term forcing up the costs of capital works. - House prices could reduce with the need to increase property sales to raise the SHVP levy but at the same time could make RTB even more financially attractive to those tenants with stable incomes and access to mortgage finance/savings. A number of these risks are mirrored in the individual risk lines above but Brexit has the potential to exacerbate these materially over the medium term.	Dave Richmond	17/08/16	17/08/16	Catastrophic	Unlikely	10	This is not within the direct control of the Authority and there is nothing we can do to influence events at this level.	None.			

in assessing the impacts the following ranges of financial outcomes have been assumed:

	annual impact	business plan impact
Insignificant	<£1m	<£10m
Minor	£1m to £2m	£10m to £20m
Moderate	£2m to £5m	£20m to £50m
Major	£5m to £10m	£50m to £100m
Catastrophic	>£10m	>£100m