

HRA PRESSURES AND BUDGET PROPOSALS FOR MEDIUM TERM

	2016/2017 £	2017/2018 £	2018/2019 £	2019/2020 £	2020/2021 £
HRA Budget Pressures:					
<u>Government Policy</u>					
- Reduction in Rents of 1% 4 years from 16/17	1,963,810	3,763,810	5,763,810	8,963,810	7,963,810
- RTB / Sale of High Value Stock - Govt Invoice "HRA Tax"					
- Pay to Stay Impact					
<u>Management Agreement Variations (Approved)</u>					
- Increase in Westbridge Lease SLA to include Car Parking	20,000	20,000	20,000	20,000	20,000
<u>Management Agreement Variations (Proposed)</u>					
- Counter fraud Funding	75,000	75,000	75,000	75,000	75,000
<u>Retained HRA</u>					
- Increase in Grounds Maintenance contract charge from GF	286,190	286,190	286,190	286,190	286,190
- Reduction in Contribution to Bad Debt Provision Budget	(200,000)	(150,000)	(100,000)	(100,000)	(100,000)
- Higher Interest earned on balances due to Cap prog underspends	(100,000)	0	0	0	0
Total Potential Reduction / (Increase) in Funding	2,045,000	3,995,000	6,045,000	9,245,000	8,245,000
Retained HRA Proposals					
General Management budget reduced down to level needed taking out the 1 £831,400 and investing back in RCCO (NET) as approved.	(155,899)	(205,899)	(255,899)	(255,899)	(255,899)
Special Services budget reduced to needed level before adjustments 2 needed above	(129,498)	(129,498)	(129,498)	(129,498)	(129,498)
AVAILABLE FROM RETAINED TO BRIDGE THE SHORTFALL	(285,397)	(335,397)	(385,397)	(385,397)	(385,397)
NPH Funding proposals					
1 Management Fee Efficiency TARGET(25%)	(439,900)	(914,900)	(1,414,901)	(2,214,901)	(2,214,901)
2 Repairs and Maintenance Managed Responsive Efficiencies (30%)	(406,500)	(845,400)	(1,307,400)	(2,046,600)	(1,815,600)
3 Repairs and Maintenance Managed Cyclical Efficiencies (30%)	(121,400)	(252,500)	(390,500)	(611,300)	(542,300)
4 Capital Investment to Houses Rephased or Efficiencies (45%)	(720,600)	(1,498,600)	(2,317,600)	(3,628,000)	(2,968,502)
5 Capital Investment to Environment Rephased or Efficiencies (45%)	(71,203)	(148,203)	(229,202)	(358,802)	(318,300)
PROPOSED BY NPH TO BRIDGE SHORTFALL	(1,759,603)	(3,659,603)	(5,659,603)	(8,859,603)	(7,859,603)
REVISED FUNDING GAP	0	0	0	0	0