

Housing Revenue Budget - 2024/2025

APPENDIX 4

	2022/23 Outturn £000	2023/24 Probable £000	2023/24 Estimate £000	2024/25 Estimate £000	Movement in Estimate £000	Comments on Movement in Estimate >£50,000
Expenditure						
Employee Costs	7,179	7,986	7,669	7,870	201	Increase due to higher payroll costs (Pay award 23/24 was circa 3% more than the budgeted allowance, further 3% allowance for 24/25 pay award) Cost increase is partly mitigated by a reduction in the employers superannuation contribution rate in 24/25.
Property Costs	2,122	2,608	2,377	2,560	183	Above inflation increase in electricity and property insurance costs reflecting rising prices across these commodities.
Transport Costs	136	142	142	148	6	
Supplies, Services and Admin Support Services	425	398	389	406	17	
	2,550	2,681	2,720	2,788	68	Increase due to higher payroll costs within centrally funded services. (Pay award 23/24 was circa 3% more than the budgeted allowance, further 3% allowance for 24/25 pay award) Cost increase is partly mitigated by a reduction in the employers superannuation contribution rate in 24/25.
Other Expenditure	800	789	534	330	(204)	Reduced rent abatement budget reflecting tighter control and better performance on getting crucial repairs completed. Reduced legal expenses budget to align budget with current spend levels. Removal of payments to external body for tenancy sustainment since this is currently being done by Council Housing staff as part of their job roles .
Repairs & Maintenance	14,839	16,035	16,257	14,983	(1,274)	The revenue repairs budget has been reduced mainly to reflect that the higher costs in 2324 were due to additional work carried out both in house and by external contractors to catch up with backlog in repairs and Voids . It is expected that in 2425 the number of repairs will return back to a normal years level therefore less budget will be required. There has also been a reduction in the tenants priority repairs budget and special needs repair budgets to align budgets with historical spend. There has also been Increase in rechargeable repair income budget to align with historical income levels. These budget reductions are partly offset by an increase to repair budgets to reflect high pay and high material inflation.
Bad Debt Provision	938	959	1,089	1,026	(63)	Reduced irrecoverable debt budget to align budget with historical bad debt costs.
Void Loss (Council Tax/Lost Rents)	2,142	1,556	1,261	1,012	(249)	Reduced budgets to reflect improved void performance and lower void numbers.
CFCR	2,911	-	1,729	-	(1,729)	CFCR budget has been removed to help fund the large increase in borrowing costs.
Loan Charges	13,503	18,829	15,476	22,092	6,616	Large increase in borrowing costs following the recent rise in interest rates. Interest rates / debt financing costs are expected to reduce over the medium term.
Total Expenditure	47,545	51,983	49,643	53,215	3,572	

	2022/23 Outturn £000	2023/24 Probable £000	2023/24 Estimate £000	2024/25 Estimate £000	Movement in Estimate £000	Comments on Movement in Estimate >£50,000
Income						
House Rents	45,396	47,750	47,728	51,049	3,321	6.7% rent increase plus additional income from newly tenanted new builds
Lockup Rents	206	202	217	215	(2)	
Factoring/Insurance Charges	1,302	1,494	1,434	1,554	120	Annual fee increase applied
Other rents	116	120	117	120	3	
Interest on Revenue Balance	117	146	30	146	116	Increased interest earned on cash balances following the recent rise in interest rates.
Miscellaneous Income	309	131	117	131	14	
Transfer from Reserves	100	2,140	-	-		
Total Income	47,545	51,983	49,643	53,215	3,572	
Net Expenditure	(0)	(0)	0	(0)	(0)	