

# Scrutiny Board Meeting

Tuesday, 24 January 2023

Dear Councillor

## SCRUTINY BOARD - TUESDAY, 24TH JANUARY, 2023

Please find attached an updated Appendix 1 for the Housing Revenue Account Business Plan 2023-2024 including rent and service charges report. This is for consideration at next Tuesday, 24th January, 2023 meeting of the Scrutiny Board. The appendix was updated after the agenda had been printed.

### Agenda No    Item

- |   |   |
|---|---|
| 3 | <b><u>Housing Revenue Account Business Plan 2023-2024 including rent and service charges – Updated Appendix 1 (Pages 3 - 6)</u></b> |
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If you have any queries about this meeting, please contact the Scrutiny Team:

**Contact**    Martin Stevens DL

**Tel**         01902 550947

**Email**       [martin.stevens@wolverhampton.gov.uk](mailto:martin.stevens@wolverhampton.gov.uk)

**Address**    Scrutiny Office, Civic Centre, 1st floor, St Peter's Square,  
Wolverhampton WV1 1RL

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**MEDIUM TERM BUSINESS PLAN 2022-2023 – 2027-2028****Table 1 – Revenue Budget**

2023-2024 to 2027-2028 refer to Years 1-5 in Table 1 below. 2022-2023 is shown for comparative purposes and is the forecast as at Quarter 3

REVENUE ACCOUNT	2022- 2023	2023- 2024	2024- 2025	2025- 2026	2026- 2027	2027- 2028
	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
<b>Income</b>						
Dwelling Rents	(93,085)	(99,026)	(103,647)	(105,200)	(109,161)	(111,896)
Other Rents	(564)	(600)	(617)	(633)	(651)	(663)
Service Charges	(6,057)	(6,149)	(6,392)	(6,398)	(6,526)	(6,656)
	<b>(99,706)</b>	<b>(105,775)</b>	<b>(110,656)</b>	<b>(112,231)</b>	<b>(116,338)</b>	<b>(119,215)</b>
<b>Expenditure</b>						
Repairs and maintenance	29,021	30,315	30,526	30,894	31,362	32,094
Supervision and management	21,953	23,819	26,004	26,317	26,716	27,340
Rents, rates and taxes	710	650	550	561	572	584
Financial Support	-	300	-	-	-	-
Increase in provision for bad debts	1,800	2,000	2,000	1,500	1,530	1,561
Depreciation of fixed assets	20,952	22,185	22,442	22,837	23,414	23,967
Contribution to Capital Funding and Debt repayment	14,036	11,763	11,655	10,683	11,325	12,682
Interest Payable	11,234	14,743	17,479	19,439	21,419	20,987
<b>Total expenditure</b>	<b>99,706</b>	<b>105,775</b>	<b>110,656</b>	<b>112,231</b>	<b>116,338</b>	<b>119,215</b>
<b>Balance</b>	-	-	-	-	-	-

**Table 2 – Capital Account**

Detail of capital programmes can be found at Appendix 2 of the Business Plan

CAPITAL ACCOUNT	2022-	2023-	2024-	2025-	2026-	2027-
	2023	2024	2025	2026	2027	2028
	Budget	Budget	Budget	Budget	Budget	Budget
	£000	£000	£000	£000	£000	£000
<b>Expenditure</b>						
Capital Expenditure	72,240	131,111	142,117	106,290	77,630	70,498
	<b>72,240</b>	<b>131,111</b>	<b>142,117</b>	<b>106,290</b>	<b>77,630</b>	<b>70,498</b>
<b>Financing</b>						
Major Repairs Reserve	(20,952)	(21,796)	(22,042)	(22,429)	(22,998)	(23,542)
Grants, Contributions and Receipts	(10,495)	(11,499)	(7,010)	(4,810)	(4,810)	(4,810)
Borrowing	(40,793)	(97,816)	(113,065)	(79,051)	(49,822)	(42,146)
	<b>(72,240)</b>	<b>(131,111)</b>	<b>(142,117)</b>	<b>(106,290)</b>	<b>(77,630)</b>	<b>(70,498)</b>
<b>Balance</b>	-	-	-	-	-	-

**30 YEAR BUSINESS PLAN FORECAST 2023-2024 to 2052-2053**

Table 3 - Revenue Account

<b>REVENUE ACCOUNT</b>	<b>Years 1 - 5 £M</b>	<b>Years 6-10 £M</b>	<b>Years 11 - 15 £M</b>	<b>Years 16 - 20 £M</b>	<b>Years 21 - 25 £M</b>	<b>Years 26 - 30 £M</b>
<b>Income</b>						
Dwelling Rents	(529)	(590)	(631)	(682)	(743)	(845)
Other Rents	(3)	(3)	(4)	(4)	(5)	(5)
Service Charges	(32)	(35)	(39)	(43)	(48)	(55)
	<b>(564)</b>	<b>(628)</b>	<b>(674)</b>	<b>(729)</b>	<b>(796)</b>	<b>(905)</b>
<b>Expenditure</b>						
Repairs and Maintenance	155	168	180	194	212	230
Supervision and Management	130	143	153	165	180	195
Other charges to revenue account	12	11	12	14	15	17
Depreciation, capital financing and provision for debt repayments	173	187	190	193	214	286
Interest payments	94	119	139	163	175	177
	<b>564</b>	<b>628</b>	<b>674</b>	<b>729</b>	<b>796</b>	<b>905</b>
<b>Balance</b>	-	-	-	-	-	-

Table 4 – Capital Account

<b>CAPITAL ACCOUNT</b>	<b>Years 1 - 5 £M</b>	<b>Years 6-10 £M</b>	<b>Years 11 - 15 £M</b>	<b>Years 16 - 20 £M</b>	<b>Years 21 - 25 £M</b>	<b>Years 26 - 30 £M</b>
<b>Expenditure</b>						
Capital Expenditure	528	323	333	305	249	258
<b>Financing</b>						
Major Repairs Reserve	(113)	(130)	(135)	(145)	(159)	(173)
Grants, Contributions and Receipts	(33)	(15)	(11)	(9)	(6)	(5)
Borrowing	(382)	(178)	(187)	(151)	(84)	(80)
	<b>(528)</b>	<b>(323)</b>	<b>(333)</b>	<b>(305)</b>	<b>(249)</b>	<b>(258)</b>
<b>Balance</b>	-	-	-	-	-	-