

Landlord Services

Ref. No.	2009/2010 Actual (1)	2010/2011 Estimate (2)	Details	2011/2012 Estimate (3)	Direct Costs (4)	Support Costs (5)
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Housing Revenue Account Summary

Assumes rent increase at 7% Government guideline

	£	£		£	£	£
			Expenditure			
			Premises			
1	4,417,706	4,719,540	Contribution to R & M Fund Administration	4,718,650	4,541,890	176,760
			Supervision and Management			
2	2,706,311	2,722,261	- General	2,722,480	1,574,160	1,148,320
3	609,936	514,470	- Special	516,915	397,785	119,130
4	37,617	75,350	- Support	75,350	-	75,350
5	432,810	444,310	'Back-Funded' pension contributions	469,310	469,310	
			Capital Charges			
6	4,668,978	2,700,960	Major Repairs Allowance/Depreciation <i>(Part reversed at line 22. Balance equates to Major Repairs Allowance for dwellings)</i>	3,811,360	3,788,540	
7	34,317	40,060	Capital Work Expenses	32,220	18,150	14,070
			Special Items			
8		75,000	Inflation Provision	25,000	25,000	
9	61,000	50,000	Bad Debts Provision	50,000	50,000	
10	50,000	50,000	Uninsured Loss Reserve	50,000	50,000	
11	54,026		Audit Commission Recommendations and continuing service improvements			
12		35,000	Revenue cost of Orchard upgrade	35,000	35,000	
13	13,072,701	11,426,951	Total Expenditure	12,506,285	10,949,835	1,533,630
			Income			
14	22,937,482	23,586,580	Gross Rents	25,125,010	25,125,010	
15	274,850	286,140	Garage Rents	286,140	286,140	
16	74,649	75,900	Other Income	74,750	74,750	
17	23,286,981	23,948,620	Total Income	25,485,900	25,485,900	
			70,000 Target Reduction - Vacancy factor	70,000	70,000	
18	(10,214,280)	(12,591,669)	Net Cost of Services	(13,049,615)	(14,606,065)	1,533,630
19	24,378	50,000	Capital Finance - interest element	50,000	50,000	
20	(18,208)	(12,000)	Interest receivable	(12,000)	(12,000)	
21	(10,208,110)	(12,553,669)	Net Operating Expenditure	(13,011,615)	(14,568,065)	1,533,630
			Appropriations			
22	(83,343)	(84,510)	From major repairs reserve additional depc'n	(84,000)	(84,000)	
23	65,195	65,000	Transitional Funding of Support Costs	56,100	56,100	
24	10,030,479	12,573,180	Negative housing subsidy	12,828,250	12,828,250	
25	(£195,779)	£1	(Surplus)/Deficit in Year	(£211,265)	(£1,767,715)	£1,533,630

Statement of Working Balance

26	1,044,558	1,240,337	Balance Brought Forward	1,240,336		
27	195,779		(1) Contribution (to)/from Revenue Expenditure	211,265		
28	£1,240,337	£1,240,336	Balance Carried Forward	£1,451,601		

N.B. These estimates are pre Star Chamber proposed reductions/savings

EXPLANATORY NOTES

Line 5

This payment represents the cost of backfunded pensions for HRA staff. The total Council payment to Surrey County Council is shown on page 7 in the Non-Distributed Costs budget Line 7. The ongoing cost of pensions arising from current service is contained within the employee budgets for each element of the service.

Line 6

Includes £3,704,540 for the Major Repairs Allowance (MRA). Part of the accounting framework for the HRA is the element of subsidy, the MRA, which represents the cost of maintaining the current condition of the stock. In the view of the governing accounting body the MRA, based on the individual cost of replacing individual building components as they reach the end of their useful life, is a reasonable estimate of the cost of the wearing out (depreciation) of council dwellings. This contribution from the HRA revenue account is used to finance the HRA capital programme

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Repairs and Maintenance Fund

Main Code: H2000

	£	£			£	£	£	
			1000s	Employees				
1				Housing	572,500	474,740	97,760	
2				Democratic & Legal	7,230		7,230	
3				Finance	28,570		28,570	
4	643,870	616,620		Total Staff Recharges	608,300	474,740	133,560	
			1100s	Premises				
5	2,197,549	1,846,710	1104	Responsive Repairs and Voids	1,846,710	1,846,710		
6	1,523,056	1,872,400	1104	Cyclical Maintenance	1,872,400	1,872,400		
		352,000		Management Surveys	352,000	352,000		
			1300s	Supplies and Services				
7	7,353	11,000	1302-12	Equipment, Tools and Materials	11,000	11,000		
8	10,960	4,500	1332	Printing	4,500	4,500		
9	2,960	4,250	1337	Books and Publications	4,250	4,250		
10	3,926	4,500		Out of Hours Emergency Service	4,500	4,500		
11	8,489	8,500	1344	Consultants Fees	8,500	8,500		
12	996	2,500	1351-3	Telephones	2,500	2,500		
13	-	3,000	1386	Advertising	3,000	3,000		
14	1,033	1,000	1399	Company Searches	1,000	1,000		
15	39	150	1399	Sundry	150	150		
			1600s	Support Costs				
16	7,750	8,060	1600	Locality Offices	8,550		8,550	
17	48,190	27,580	1600	Computer Cost Recharge	34,650		34,650	
18	4,456,171	4,762,770		Gross Service Expenditure	4,762,010	4,585,250	176,760	
19	26,573	-		Insurance Claims				
20	4,482,744	4,762,770		Total Gross Expenditure	4,762,010	4,585,250	176,760	
			2000s	Income				
21	14,725	23,600	2300	Contributions from Tenants	23,600	23,600		
22	19,904	19,630		Subsidy re Energy Perf. Certificate	19,760	19,760		
23	24,276			Costs Recovered Re: Insurance claims				
24	6,133		2100	Contributions				
25	4,417,706	4,719,540		Contribution from HRA	4,718,650	4,541,890	176,760	
26	4,482,744	4,762,770		Total Income	4,762,010	4,585,250	176,760	
27		-		Contribution (to)/from balances				
28	£0	£0		Net Cost	£0	£0	£0	
			Memorandum Statement of R & M Working Balance					
29	363,062	363,062		Balance Brought Forward	363,062			
30	-	-		Contribution (to)/from Revenue Exp				
31	£363,062	£363,062		Balance Carried Forward	£363,062			

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Supervision and Management General

Main Code H4001

	£	£			£	£	£
			1000s	Employees			
1				Housing	1,587,950	1,272,910	315,040
2				Democratic & Legal	42,730		42,730
3				Planning	4,650		4,650
4				Finance	146,240		146,240
5				Office and IT	20,250		20,250
6				Environmental Health	1,540		1,540
7				Community Services	590		590
8	1,804,370	1,902,810		Total Staff Recharges	1,803,950	1,272,910	531,040
9	43,527	44,020	1050s	Former Employee Costs	47,360		47,360
			1100s	Premises			
10	22,821	28,000	1131-2	Hired and Contracted Services	28,000	28,000	
11	374		1163	Electricity (Montrose House)			
12	1,966		1164	Gas (Montrose House)			
13	11,550		1171	Rent (Montrose House)			
14	17,882	5,000	1176	Council Tax/Business Rates	5,000	5,000	
15	180		1178	Water Charges (Montrose House)			
16	884		1184	Cleaning (Montrose House)			
17	168		1187	Refuse/Waste disposal			
18	114,880	115,000	1191	Insurances	117,000	117,000	
			1300s	Supplies and Services			
19	2,192	4,000	1302-5	Equipment and Furniture	4,000	4,000	
20	14,947	17,000	1332	Printing	17,000	17,000	
21	122	250	1337	Books and Publications	250	250	
22	15,398	17,500	1341	Legal Expenses	17,500	17,500	
	11,432	10,000	1344	Consultants Fees	10,000	10,000	
23	47,711	12,000	1345	Hired and Contracted Services	12,000	12,000	
		6,000	1345	Annual stock valuation Fee	6,000	6,000	
24	1,976	2,000	1351-3	Telephones	2,000	2,000	
25	10,578	6,000	1354	Postages	6,000	6,000	
26	20,200	30,000	1371	Transfer Grants	30,000	30,000	
27	404	1,500	1395	Other Supplies	1,500	1,500	
28	11,078	7,500	1399	Assisted removals and decants	7,500	7,500	
29	19,535	13,000	1399	Compensation(including home loss	13,000	13,000	
30	13,912	9,500	1399	Vulnerable Tenant Support	9,500	9,500	
				Special Items			
31	13,302	17,500	H4005	Tenants' Panel Expenses:	17,500	17,500	
32	1,878	10,000	H4006	Social Inclusion	10,000	10,000	
33	10,868	15,000	H4007	Tenant Participation	15,000	15,000	
34	62,213	69,000		Community Safety/Estate Man'g't	69,000	69,000	
35	7,181	7,500	H4008	Benchmarking costs	7,500	7,500	

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Supervision and Management General (Continued)

Main Code H4001

	£	£			£	£	£
			1600s	Support Costs			
36	36,570	35,950	1600	Democratic Representation	27,920		27,920
37	114,180	54,340	1600	Locality Offices	12,380		12,380
38	116,500	76,460	1600	Computer Cost Recharge	87,330		87,330
39	324,730	283,070	1600	Corporate Costs	411,370		411,370
				<u>Recharge from:-</u>			
43		26,470	R1011	Financial Expenses	30,920		30,920
44	2,875,509	2,826,371		Gross Expenditure	2,826,480	1,678,160	1,148,320
			2000s	Income			
45	3,159	2,000	2300	Services supplied	2,000	2,000	
46	63,665	40,000	2350	Service Charges	40,000	40,000	
47	72,522	60,000	2704	Rents	60,000	60,000	
48	22,587		2903	Re-imburements	-		
49		2,110	2905	Income Share	2,000	2,000	
50	7,265		2906	Contributions	-		
51	169,198	104,110		Total Income	104,000	104,000	
52	£2,706,311	£2,722,261		Net Cost to Revenue Account	£2,722,480	£1,574,160	£1,148,320

Explanatory Notes

Lines 28-30 Formerly Tenants' miscellaneous expenses

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Supervision and Management Special

Main Code H5001

	£	£			£	£	£
			1000s	Employees			
1				Housing	292,540	240,980	51,560
2				Finance	13,140		13,140
3				Environmental Services	1,400		1,400
4				Community	51,150		51,150
5	336,560	343,250		Total Staff Recharges	358,230	240,980	117,250
6	1,291			One-Off Staff Costs			
			1100s	Premises			
7	86	3,000	1121	Fixtures and Fittings	3,000	3,000	
8	155,366	149,000	1131-2	Hired and Contracted Services	149,000	149,000	
9	131,834	155,000	1163	Electricity	155,000	155,000	
10	31,335	35,000	1163	Landlord's lighting	35,000	35,000	
11	173,271	165,000	1164	Gas	165,000	165,000	
12	115,757	30,000	1176	Council Tax	30,000	30,000	
13	2,070	2,000	1178	Water Services	2,000	2,000	
14	92,781	90,000	1181	Cleaners Wages	90,000	90,000	
15	6,815	6,000	1182	Cleaning Materials	6,000	6,000	
16	33,647	28,500	1184	Contract Cleaning	28,500	28,500	
17	6,347	7,500	1185	Window Cleaning	7,500	7,500	
18	12,705	14,000	1188	Cesspool Emptying	14,000	14,000	
19	11,408	11,200	1191	Insurances	11,700	11,700	
			1300s	Supplies and Services			
20	24,528	23,000	1302-5	Equipment and Furniture	23,000	23,000	
21	92	1,000	1332	Printing	1,000	1,000	
22	5,449	6,000	1345	Contracted Services	6,000	6,000	
23	3,250	5,810	1351-3	Telephones	5,810	5,810	
24		150	1391	Insurances	165	165	
25	1,283	1,250	1389	Television Services	1,250	1,250	
26	6,481	1,250	1399	Miscellaneous Expenses	1,250	1,250	
			1600s	Support Costs			
27	420	340	1600	Locality Office	100		100
28	8,280	4,590	1600	Computer Cost Recharge	1,780		1,780
29	1,161,056	1,082,840		Gross Expenditure	1,095,285	976,155	119,130
			2000s	Income			
30	4,116	4,900	2300	Fees and Charges	4,900	4,900	
31	14,761	5,000	2705	Rents	15,000	15,000	
32		200	2300	Telephones	200	200	
33	253,696	282,000		Central Heating	282,000	282,000	
34	278,547	276,270		Service Charges	276,270	276,270	
35	551,120	568,370		Total Income	578,370	578,370	
36	£609,936	£514,470		Net Cost to Revenue Account	£516,915	£397,785	£119,130

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Capital Work Expenses Main Code H1010

	£	£			£	£	£
			1000s	Employees			
1				Housing	17,360	14,650	2,710
2				Democratic & Legal	5,200		5,200
3				Finance	6,160		6,160
4	31,240	36,560		Total Staff Recharges	28,720	14,650	14,070
			1300s	Supplies and Services			
5	3,077	3,500	1391	Insurances	3,500	3,500	
6	34,317	40,060		Gross Expenditure	32,220	18,150	14,070
7	£34,317	£40,060		Net Cost to Revenue Account	£32,220	£18,150	£14,070

Other Income Main Code H1000

	£	£			£	£	£
			2000s	Income			
1	73,077	72,000	2905	Water Rate Commission	74,000	74,000	
				Interest			
2	1,572	3,900	2410	Mortgagors	750	750	
HHH	£74,649	£75,900		Net Cost to Revenue Account	£74,750	£74,750	£0

Exchequer Subsidies Main Code H1000

	£	£			£	£	£
			2000s	Income			
1	(10,030,479)	(12,573,180)		Housing Subsidy	(12,828,250)	(12,828,250)	
2	(£10,030,479)	(£12,573,180)		Net Cost to Revenue Account	(£12,828,250)	(£12,828,250)	£0



Star Chamber Findings - List of Reductions Service Variations

Impact Assessment

2011-2012 Saving/Income £

Housing Revenue Account

Staff Savings:

- Sheltered Housing Administration Officer - delete vacant post
- Rent Accounts Administrative Assistant - delete vacant post
- Clerk of Works - delete vacant post
- Quantity Surveyor - delete vacant post

Supervision & Management:

- Reduce Grounds Maintenance non-contract budget
- Reduce budget for Electricity and Gas in Sheltered Housing
- Replace Community Safety / Estate Management budget with £50,000 'Big Society' budget
- Reflect savings achieved on Tenant's Panel Expenses budget
- Reduce printing budget
- Savings achieved on Communal Cleaning contract awarded 2010

Repairs & Maintenance:

- 5% discount negotiated with CHS on Gas Servicing contract
- Reduce Provision for Common Parts Redecoration to £20,000
- Reduce budget for Emersion Heater Upgrades
- Reduce budget for Tenant Redecoration Scheme from £50,000 to £10,000
- Reduce the budget for annual Asbestos Surveys from £100,000 to £50,000
- Reduce the budget for Energy Performance Certificates from £50,000 to £30,000
- Reduce the budget for Fire Safety Inspection related work from £70,000 to £35,000

Foresight Savings:

- MITIE Contract Re-procurement - expected savings in 2011-12
- Administrative Savings expected to be achieved in 2011-12 following Foresight Review

Growth Items:

- Staffing for Civica Project

Total Housing Revenue Account.

30,000 Administrative efficiencies have been made and remaining work reassigned to other staff
 11,000 Administrative efficiencies have been made and remaining work reassigned to other staff
 35,000 Will procure Clerk of Works services on individual projects as and when required
 44,000 Will procure specialist advice as and when required through capital programme

8,000 Less resource available for tree/hedge/clearance work. Need to prioritise work.
 20,000 Energy Efficiency measures have helped reduce costs - no impact on customers
 20,000 Change of direction and focussing resources on supporting local self-help initiatives/action
 2,000 Tenants Panel have made savings on printing
 800 Efficiencies made
 3,400 Service remains in place - achieved better value for money

35,000 Better VFM. No change in service
 20,000 Able to scale back internal common parts redecoration programme
 20,000 Upgrade programme largely completed, able to reduce budget without service impact
 40,000 Low take-up of decoration scheme Budget of £10,000 should suffice
 50,000 We now have good Asbestos information on our housing stock - can now scale back budget
 20,000 Reprocurring EPCs - better VFM and fewer needed each year
 35,000 Fire safety inspections and works now up to date. Lower budget needed for future programme

160,000 No service impact. Market is competitive and better VFM should be achieved
 75,000 To be achieved through service reviews

629,200
 (32,000)

£597,200

