

| Description | Annual Budget OE 2019/20 £000s | Annual Budget OE 2020/21 £000s | Annual Budget OE 2021/22 £000s | Annual Budget OE 2022/23 £000s |
|--|--|--|--|--|
| Expenditure | | | | |
| Management and Maintenance | | | | |
| Insurances | 766 | 780 | 800 | 820 |
| General Management | 3,785 | 3,485 | 3,485 | 3,485 |
| Special Services | 240 | 240 | 240 | 240 |
| Management Fee to St Leger Homes | 30,801 | 31,628 | 32,305 | 33,232 |
| Tenancy Sustainment Fund | 411 | 411 | 111 | 111 |
| Debt Management Expenses | 20 | 20 | 20 | 20 |
| Rent, Rates, Taxes & Other Charges | 135 | 135 | 135 | 135 |
| Capital Charges | | | | |
| Depreciation on Council Dwellings | 17,265 | 17,265 | 17,265 | 17,265 |
| Depreciation on non dwellings | 938 | 938 | 938 | 938 |
| Provision For Bad or Doubtful Debts | 1,701 | 1,500 | 1,700 | 1,700 |
| Total Expenditure | 56,062 | 56,402 | 56,999 | 57,946 |
| Income | | | | |
| Rent Income | | | | |
| Dwelling Rents | -71,778 | -73,414 | -74,951 | -76,515 |
| Non-dwelling Rents | -815 | -775 | -750 | -725 |
| Charges For Services and Facilities | -124 | -124 | -124 | -124 |
| Contributions Towards Expenditure | -286 | -286 | -286 | -286 |
| Income from Solar Panels | -204 | -208 | -212 | -216 |
| Total Income | -73,207 | -74,807 | -76,323 | -77,866 |
| Net Income from Services | -17,145 | -18,405 | -19,324 | -19,920 |
| Capital Charges | | | | |
| Loan Charges - Interest | 12,581 | 12,543 | 12,379 | 12,340 |
| Interest Receivable | -52 | -25 | -25 | -25 |
| Net Operating Income | -4,616 | -5,887 | -6,970 | -7,605 |
| Appropriations | | | | |
| Revenue Contribution To Capital Outlay | 6,828 | 5,887 | 6,970 | 7,605 |
| Transfer to / from Reserves | -2,212 | 0 | 0 | 0 |
| Surplus (-) / Deficit for Year | 0 | 0 | 0 | 0 |
| HRA A/C BALANCE BF | 6,212 | 4,000 | 4,000 | 4,000 |
| Transfer to/from balances | -2,212 | 0 | 0 | 0 |
| HRA A/C BALANCE CF | 4,000 | 4,000 | 4,000 | 4,000 |

SLHD Management Fee

| | Note | 2019/20 £000s | 2020/21 £000s | 2021/22 £000s | 2022/23 £000s |
|--|------|------------------|------------------|------------------|------------------|
| Management fee | | 29,238 | 30,801 | 31,628 | 32,305 |
| Budget Pressures | | | | | |
| Legislation changes | | | | | |
| H&S and Compliance post following Hackitt review | 1 | 52 | | | |
| Inflationary increases | | | | | |
| Pay award | 2 | 542 | 500 | 500 | 500 |
| Superannuation | 3 | 282 | 137 | 137 | 137 |
| Increments | 4 | 59 | 40 | 40 | 40 |
| Inflation | 5 | 301 | 250 | 250 | 250 |
| Service Level Agreements | 6 | 321 | | | |
| Office 365 | 7 | 66 | | | |
| Removal of 5 year temporary funding | 8 | -60 | -100 | | |
| Efficiencies delivered | 9 | -480 | | -250 | |
| Reinvestment in services | | 480 | | | |
| Future efficiency target | 10 | -200 | -100 | | |
| Future investment in services | | 200 | 100 | | |
| Total Management Fee | | 30,801 | 31,628 | 32,305 | 33,232 |

Details of the growth bids are;

1. Legislation Changes - Following the tragic fire at Grenfell Tower in London during June 2017 and the subsequent publication of the Hackitt report, the requirements for management of high rise blocks have changed and a new post has been created to deliver the necessary changes.

2. Pay award - 2% pay award with effect from 1 April 2019 and implementation of new pay scales.

3. Superannuation - The pension fund was revalued in 2016. Employers contribution increases from 12.4% in 2017/18 to 12.9% in 2018/19 and 13.9% in 2019/20. It has been assumed that this will increase by 0.5% each year in the following 3 years.

4. Increments - the overall net increase paid to staff.

5. Inflation - the increase costs for contracted goods and services. Inflation is calculated on individual budget lines and the vast majority of budgets have not been inflated, examples of some of the inflationary increases are fuel at 9% (£50k), rents at 5% (£47k), materials at 2% (£108k), insurance premiums 9% (£11k), SLAs 2% (£39k) and utilities 3% (£16k).

6. Service Level Agreements (SLAs) - there are significant cost increases on a number of SLAs following a full review of services and revised costs agreed, this figure comprises the following increases - Grounds Maintenance £240k, Payroll Services £64k and increases to other services including ICT, legal and call centre.

7. Office 365 - there are significant increased costs as a result of the implementation of Office 365 and new mircosoft enterprise licences.

8. Removal of 5 year temporary funding - on 18 June 2014 Cabinet agreed a five year increase of £160k per annum in resources to fund the refurbishment costs of St Leger House (formerly Concorde House). This funding has been removed from the management fee as the refurbishment costs are written off.

9. Efficiencies Delivered

14 posts have been deleted from across all areas of the business (4 from repairs due to efficiencies in void processes, 4 from housing management (st leger lettings, gardening service and tenant involvement) and 6 from back office services (finance and HR)) other posts have been created to deliver the needs of the service (new posts in the tenancy sustainment team, customer services, H&S and compliance and temporary posts to deliver the new integrated housing management system). Other savings have been made from delivering contracts in-house which were previously outsourced and by reducing postage costs. During 2019/20 all the efficiencies made have been reinvested into other service improvements, following the full implementation of the new IT system it is anticipated that further savings will be delivered and £250k has been taken out of the 2021/22 budget to reflect this.

10. Future Efficiency Target

It was estimated that over the 3 year period 2018/19 to 2020/21 there would be additional costs of £500k to deal with the rollout of Universal Credit across Doncaster (with an estimated £24.0m of rent income needed to be collected which had previously been paid directly to the Council via housing benefit). These estimated costs were split, £200k for 2018/19 (not shown in the table above), £200k in 2019/20 and £100k in 2020/21. SLHD was not given additional management fee to fund these changes but was required to find efficiencies to deliver the service changes required.