

RECORD OF EXECUTIVE DECISION

Tuesday, 9 February 2016

Decision No: (CAB 15/16 16345)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	HOUSING AND SUSTAINABILITY
SUBJECT:	HOUSING REVENUE ACCOUNT BUDGET REPORT AND BUSINESS PLAN
AUTHOR:	Alan Denford

THE DECISION

- (i) To consider the report and agree the amended recommendations, as set out below, be made to Council at the meeting on 10 February 2016.

Council

- (i) To thank the Tenant Resources Group for their input to the capital and revenue budget setting process and to note their endorsement of the recommendations set out in this report and also the broad support for the proposals received at the Tenants' Winter Conference.
- (ii) To note that the consultation feedback has been taken into consideration by Cabinet and has informed their final budget proposals.
- (iii) Other than in the circumstances set out in recommendation (iv) below, to approve that, from 1 April 2016, a standard decrease should be applied to all dwelling rents of 1.0%, as set out in paragraph 16 of this report, equivalent to an average decrease of £0.87 per week in the current average weekly dwelling rent figure of £86.81.
- (iv) To delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Housing and Sustainability, and following discussions with tenants; representatives, to implement from 1 April 2016 a rent increase of up to 0.9% (September 2015 Consumer Price Index +1.0%) for dwellings where a Government exemption is applied to the requirement in the Welfare Reform and Work Bill 2015/16 for a 1.0% reduction in the level of Social Rent with a view to additional sums raised being reinvested in the properties affected.
- (v) To approve the Executive's savings proposals, as set out in Appendix 1 to this report, which amount to £4,311,000 in 2016/17 and £4,439,000 in subsequent years.
- (vi) To note the following weekly service charges from 1 April 2016 based on a full cost recovery approach:
 - Digital TV £0.42 (unchanged from 2015/16)
 - Concierge monitoring £1.20 (unchanged from 2015/16)

- Tower Block Warden £4.97 (unchanged from 2015/16)
Cleaning service in walk-up blocks £0.63 (unchanged from 2015/16).
- (vii) To note the new service charging model for Community Alarm and private Careline customers set out in paragraphs 37 and 38 of this report.
- (viii) To note that the charges to Council tenants for garages and parking spaces for 2016/17 will be unchanged and that there will be an increase of garage rents by £1.00 per week for private residents.
- (ix) To approve the Housing Revenue Account Revenue Estimates as set out in the attached Appendix 2.
- (x) To approve the revised Housing Revenue Account 5 Year Capital Programme set out in Appendix 3 and to note the key variances and issues in Appendix 4.
- (xi) To approve the 30 year Business Plans for revenue and capital expenditure set out in Appendices 5 and 6 respectively.
- (xii) To note the HRA Business Plan - Planning Assumptions, as set out in Appendix 7.
- (xiii) To note that rental income and service charge payments will continue to be paid by tenants over a 48 week period.

REASONS FOR THE DECISION

The Council's Constitution sets out the process to be followed in preparing the Council's budget. This process includes a requirement for the Executive to formally submit their budget proposals for the forthcoming year to Council. The budget proposals in this report cover the HRA revenue budget and capital programme.

In March 2012 the HRA paid a one-off levy to Government of approx. £74,000,000, known as the 'debt settlement', to buy its way out of the subsidy system and stop the need for annual payments. The introduction of the self-financing regime for HRA finances in April 2012 brought with it a requirement for long term business planning. This report also sets out in financial terms the HRA Business Plan for the next 30 years.

DETAILS OF ANY ALTERNATIVE OPTIONS

The proposals in this report follow the key principles established in the HRA self-financing report approved by Council on 16 November 2011 and amended in subsequent budget reports. They are consistent with the views of tenant representatives expressed at various meetings during the preparations for HRA self-financing. More recently, these matters have been discussed at the monthly meetings of the Tenant Resources Group and at the Tenants' Winter Conference. Alternative options are not therefore supported.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None.

CONFLICTS OF INTEREST

None.

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 9th February 2016

Decision Maker:
The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 clear days (as set out in the Constitution) from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*