

<p>RECOMMENDATION TO COUNCIL (Executive Councillor for Housing)</p>

2016/17 Housing Revenue Account Budget Setting Report

The report referred to the 2015/16 budget process, the range of assumptions upon which the Housing Revenue Account (HRA) Business Plan and Mid-Year Financial Review were based, were reviewed in light of the latest information available, culminating in the preparation of the HRA Budget Setting Report.

The Housing Scrutiny Committee considered and approved the recommendations by 6 votes to 0, with 2 abstentions.

Accordingly, Council is recommended to:

Treasury Management

- i. Request that, in 2016/17, officers review the existing approach to treasury management, which required 25% of the value of the housing debt to be set-aside by the point at which the loan portfolio matures, recognising the financial constraints that have been placed upon the HRA as a result of recent change in national housing policy. A separate report will be brought back to Housing Scrutiny Committee in 2016/17 following this review.

Housing Capital

- ii. Approval of capital bids, shown in Appendix D (2) of the HRA Budget Setting Report, to include meeting the capital cost of re-locating staff to a single area housing office, with the cost to be funded from existing repairs and renewals funds for the service.
- iii. Approval of amendment to the Decent Homes Programme investment, recognising the ability to make savings of £810,000 in 2015/16 in respect of boiler replacements, roof structure works, communal areas investment, garage refurbishment, asbestos removal and fire safety works, as detailed in Section 5 and Appendix E (2) of the HRA Budget Setting Report.
- iv. Approval of the need to re-profile resource of £570,000 from 2015/16 into 2016/17 in respect of roof covering works and bathroom replacements, and £102,000 from 2015/16 into later years of the programme in respect of remedial works due to

sulphate, as detailed in Section 5 and Appendix E (2) of the HRA Budget Setting Report.

- v. Approval of the latest budget, spend profile and funding mix for each of the schemes in the new build programme, as detailed in Section 5 and Appendix H of the HRA Budget Setting Report, recognising the most up to date information available as each scheme progresses through the design, planning, build contract and completion process.
- vi. Recognition of the need to incorporate into the Housing Capital Investment Plan, grants awarded by the Homes and Communities Agency in respect of Aylesborough Close, Water Lane, Ditchburn Place and Clay Farm.
- vii. Approval to earmark the required level of additional funding for new build investment between 2016/17 and 2017/18 to ensure that commitments can be met in respect of the investment of all right to buy receipts retained by the authority, up to the end of September 2015.
- viii. Approval to earmark additional resource of £3,110,000 towards the cost of the re-development of Anstey Way, in anticipation of a revised scheme being brought forward for the site, recognising the lower level of HRA resource available than anticipated when the scheme was first considered.
- ix. Approval of allocation of funds for a scheme to re-develop a mixed use HRA site in Akeman Street, subject to the approval of a separate report for the scheme, to be considered in Part 2 of this committee agenda.
- x. Approval of the revised Housing Capital Investment Plan as shown in Appendix K of the HRA Budget Setting Report.
- xi. Approve a provisional addition to the Housing Capital Allowance of £34,303,000 in respect of anticipated qualifying expenditure in 2016/17.

General

- xii. Approval of delegation to the Head of Finance, as Section 151 Officer, to make the necessary detailed budgetary adjustments in the HRA, in respect of savings approved as part of the HRA Mid-Year Financial Review, following the outcome of consultation with both tenants and staff about proposed service changes and resulting final savings.