



To: Executive Councillor for Housing: Councillor Kevin Price
Report by: Julia Hovells, Business Manager / Principal Accountant
Relevant scrutiny committee: Housing Scrutiny Committee 22/9/2016
Wards affected: All

HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL STRATEGY

Key Decision

1. Executive Summary

- 1.1 The Housing Revenue Account Budget Setting Report, considered and approved in January / February of each year is the long-term strategic planning document for housing landlord services provided by Cambridge City Council.
- 1.2 The Housing Revenue Account (HRA) Medium Term Financial Strategy provides an opportunity to review the assumptions incorporated as part of the longer-term financial planning process, recommending any changes in response to new legislative requirements, variations in external economic factors and amendments to service delivery methods, allowing incorporation into budgets and financial forecasts at the earliest opportunity.

2. Recommendations

Recommendations to be considered under Part 1 of the Housing Scrutiny Committee Agenda:

The Executive Councillor is recommended:

- a) To approve the Housing Revenue Account Medium Term Financial Strategy attached, to include all proposals for change in:
 - Financial assumptions as detailed in Appendix B of the document.

- 2016/17 revenue budgets as introduced in Section 5, resulting from changes in financial assumptions and the financial consequences of change, as introduced in Section 5, detailed in Appendix D of the document and summarised in Appendix G.

Recommendations to be considered under Part 2 of the Housing Scrutiny Committee Agenda:

The Executive Councillor is asked to recommend to Council:

- b) To approve proposals for changes in existing housing capital budgets, as introduced in Sections 6 and 7 and detailed in Appendix E of the document, with the resulting position summarised in Appendix H, for decision at Council on 20th October 2016.

3. Background

- 3.1 The Housing Revenue Account budget was set for 2016/17 as part of 2016/17 HRA Budget Setting Report, approving a net contribution from reserves in the year of £1,737,420.
- 3.2 This figure was later amended to reflect approvals to carry forward expenditure originally anticipated to be incurred in 2015/16 into 2016/17 as part of the closedown process for 2015/16. Following these changes, the sum of £1,928,420 was anticipated to be required as a contribution from reserves for the year.
- 3.3 The HRA Medium Term Financial Strategy revisits the assumptions made as part of the HRA Budget Setting Report, and recommends both changes in these, and in some areas of budgeted expenditure and income for 2016/17 and beyond.
- 3.4 The resulting financial impact for the Housing Revenue Account is explained and summarised in the attached document and appendices.

4. Implications

(a) Financial Implications

The financial implications associated with the HRA Medium Term Financial Strategy are incorporated as part of the document itself and the associated appendices.

(b) Staffing Implications (if not covered in Consultations Section)

There are no direct staffing implications associated with this report. Any staffing implications resulting from the Housing Transformation Programme and resulting recommendations will be addressed as part of the reports presented to Housing Scrutiny Committee during the review.

(c) **Equality and Poverty Implications**

An Equalities Impact Assessment is not considered to be required as part of this report.

(d) **Environmental Implications**

There are no adverse environmental implications anticipated as a result of changes proposed in this report.

(e) **Procurement**

There are no direct procurement implications associated with this report. Any external staff resource required to implement Pay to Stay will be procured through the Council's existing temporary staffing contractual arrangements.

(f) **Consultation and communication**

Tenant and Leaseholder representatives are being consulted on the proposals in the HRA Medium Term Financial Strategy as part of the Housing Committee scrutiny process.

(g) **Community Safety**

There are no direct community safety implications associated with the HRA Medium Term Financial Strategy.

5. Background Papers

These background papers were used in the preparation of this report:

- Housing Revenue Account Mid-Year Financial Review (October 2015)
- Housing Revenue Account Budget Setting Report (February 2016)

6. Appendices

Appendix A Housing Revenue Account Medium Term Financial Strategy.

7. Inspection of Papers

To inspect the background papers or if you have a query on the report please contact:

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