

HOUSING REVENUE ACCOUNT ESTIMATES 2007/08

1. INTRODUCTION

- 1.1. On 3 January 2007, Cabinet considered the draft Housing Revenue Account estimates for 2007/08. Members were advised that the figures were subject to change once the final Subsidy Determination was received and once the final business unit allocations had been completed. The proposals also reflect the feedback received from the January meeting of the Housing, Health and Social Inclusion Review Panel and from tenants' consultation.
- 1.2. This report sets out in Appendix 1 the updated Housing Revenue Account and details below the variations from the January report.

2. VARIATIONS SINCE JANUARY

- 2.1. Housing Subsidy (£20,000) - The revision of various subsidy formula elements has increased the amount payable by the Council to the ODPM by £20,000.
- 2.2. Major Repairs Allowance (£2,000) - An increase in the MRA subsidy decreases the Council's own contribution to Major Repairs by £2,000, with no detrimental effect on the overall amount available for Major Repairs.
- 2.3. Business Unit Allocations (£13,000) – Final adjustments to business unit allocations have increased expenditure on Supervision and Management by £13,000.

3. H R A BALANCES

- 3.1. The new variations set out in Section 2 result in a decrease in the projected annual HRA surplus of £31,000 to £551,000.

4. TENANT PARTICIPATION / REVIEW PANEL

- 4.1. Tenant's views have been sought at the 9 January Tenants' Consultative Group meeting and have not resulted in any objections or additional requests for changes to the estimates. (Review Panel comments to be reported orally to briefing and report to be updated for Cabinet meeting)

5. PORTFOLIOHOLDER COMMENTS

- 5.1. The Portfolio Holder is pleased to note the financial position of the Housing Revenue Account and supports the recommendations in this report.

6. RECOMMENDATIONS

6.1 Cabinet is requested to consider the Housing Revenue Account and to recommend to Council (subject to any variations reported orally to the meeting):

- a) an average increase of 5% in rents for 2007/08; in line with rent restructuring guidelines,
- d) approval of the updated budget set out in Appendix 1.

Further Information: Alfons Michel Principal Service Accountant Tel: (023) 8028 5713 E-mail: alfons.michel@nfdc.gov.uk	Background Papers: Housing Revenue Account Estimates 2007/08 - 3 January 2007 Rent Restructuring (Report B) 21 November 2001
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Appendix A

	2006/07 ESTIMATE £'000	2007/08 ESTIMATE £'000
INCOME		
Dwelling Rents	-18,075	-19,282
Non Dwelling Rents		
Garages	-568	-658
Land & Buildings	-50	-50
Charges for Services & Facilities	-1,225	-1,171
Contributions towards Expenditure	-313	-152
Government Subsidies		
Housing Subsidy	9,582	10,295
Major Repairs Allowance	-3,283	-3,311
Interest Receivable		
Mortgage Interest	-3	-2
Balances Interest	-180	-264
Other		
Shared Administration Recharge	-86	-15
Shared Amenities Contribution	-123	-129
TOTAL INCOME	-14,324	-14,739
EXPENDITURE		
Repairs & Maintenance		
Major Repairs Allowance	3,283	3,311
Additional Contribution to Major Repairs	1,996	1,932
Environmental Enhancements	0	100
Cyclical	1,109	1,123
Disabled Facilities	444	459
Reactive	1,800	1,810
Supervision & Management		
General Management	2,746	2,900
Special Services	1,995	1,834
Homeless Assistance	89	78
Sale of Council Houses	87	49
Rents, Rates, Taxes and Other Charges	26	26
Rent Rebates	223	208
Provision for Bad Debt	30	30
Capital Financing Costs	379	328
TOTAL EXPENDITURE	14,207	14,188
HRA ACCOUNT ANNUAL SURPLUS	-117	-551