

18 January 2011		ITEM 6
Health and Well being Overview and Scrutiny Committee		
HOUSING BASE ESTIMATES, CAPITAL PROGRAMME AND RENTS AND SERVICE CHARGES 2011/12		
Portfolio Holder: Councillor A Smith, Cabinet Member for Housing		
Wards and communities affected: N/A	Key Decision: N/A	
Accountable Head of Service: Sean Clark, Head of Corporate Finance		
Accountable Director: Martin Hone, Directorate of Finance and Corporate Governance		
This report is Public		
Purpose of Report: To comment on the proposed HRA rent increases and Capital programme 2011/12.		

EXECUTIVE SUMMARY

As part of the budget process each year, the Council needs to review its fees and charges. The future development of the Medium Term Financial Strategy will also need to take account of changes in fees and charges in broad terms over the period of the strategy.

This report sets out information for the Overview and Scrutiny Committee for comment on the proposed fees and charges for 2011/12.

1. RECOMMENDATIONS:

- 1.1 Overview and Scrutiny Committee is asked to consider the draft Housing Revenue Account (HRA) budget, rent increases and Capital Programme and submit any comments on the proposals to the Cabinet.**
- 1.2 To note that the HRA Budget and rent setting options will be presented before the Cabinet in February 2011.**

2. INTRODUCTION AND BACKGROUND:

- 2.1 The setting of the Housing Revenue Account base estimates, capital programme and rent increase options is an annual process which authorities much complete before the commencement of the financial year on 1 April.**

2.2 After consideration, Cabinet are asked to recommend the following to Council:

- Dwelling rents by an average of 6.69%
- Service charges by an average of 5.24%
- Garage rents by an average of 2.5%
- Central heating charges by an average of 3.3%
- Travellers site rents by an average of 6.2%

2.3 In order to maintain a balanced Housing Revenue Account, consideration must be given as to the amount of revenue that needs to be generated in order to meet operational requirements. In addition, as part of the rent increase process, consideration also needs to be made with regards to costs pressures which have been identified for future financial years.

3. Consultation

3.1 Consultation has taken place with officers and members as part of the budget process.

3.2 A formal consultation meeting was held with tenants during the afternoon 13 January 2011 to consider the rent increase options. Tenants voted in favour of a rent increase option of 6.69%

4. IMPLICATIONS

RELEVANT POLICIES

Section 76 Local Government and Housing Act 1989

FINANCIAL IMPLICATIONS

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Financial implications are included within the paragraphs above.

The Council's responsible financial officer is required to comment on the robustness of the budget proposals and the level of reserves. These comments have been included in his formal statement attached to the 2011/12 General Fund and Capital report.

LEGAL IMPLICATIONS

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The Council, under the 1989 Local Government and Housing Act have a legal obligation to set a budget for the Housing Revenue Account. Notices of any increases have to be sent to tenants 28 days in advance of the new charges coming into effect.

DIVERSITY & EQUALITY IMPLICATIONS

The Council has a statutory duty under the Race Relations Act 2000 (Amendment) and the Disability Discrimination Act 2005 to promote equality of opportunity in the provision of services. The Council should note that in considering the options set out in this report, due regard should be given to the equality implication of any strategy, policy or function of the Council. This means that the Council must ensure that all policies and local strategies promote the inclusion of all groups and equality of opportunity. This report would also benefit from an Equality Impact Assessment (EIA). This will ensure that any negative impact is identified and revised as appropriate. This is a statutory requirement placed on the Council.

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OTHER IMPLICATIONS None specifically

BACKGROUND PAPERS

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