

REPORT TO: POLICY & RESOURCES COMMITTEE - 26 JANUARY 2015

REPORT ON: REVENUE BUDGET 2015/2016 - HOUSING REVENUE ACCOUNT

REPORT BY: DIRECTOR OF CORPORATE SERVICES

REPORT NO: 27-2015

1 PURPOSE OF REPORT

This report seeks approval of the 2015/2016 Revenue Budget for the Housing Revenue Account.

2 RECOMMENDATIONS

The Committee are asked to:

- a Agree the 2015/2016 Revenue Budget for the Housing Revenue Account as appended to this report.
- b Submit the approved 2015/2016 Housing Revenue Budget to the Housing Committee in order that it may set the 2015/2016 rent levels.

3 FINANCIAL IMPLICATIONS

The Housing Revenue Account must balance for each financial year and accordingly the budgeted total net expenditure of £1,123,000 must be met by an increase in rent levels. The setting of the rent levels is a matter for the Housing Committee and the decision of this Committee in respect of the 2015/2016 Revenue Budget will be forwarded to the Housing Committee.

The proposed budget would allow for various environmental initiatives to be undertaken, maintain the Scottish Housing Quality Standard (SHQS) and continue the progress towards achieving the Energy Efficiency Standard for Social Housing (EESH) by 2020. The proposed budget would also allow the Council to develop new build housing.

4 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

5 CONSULTATIONS

The Chief Executive, Director of Housing and the Head of Democratic and Legal Services have been consulted on the content of this report.

6 BACKGROUND PAPERS

None.

**MARJORY M STEWART
DIRECTOR OF CORPORATE SERVICES**

09 JANUARY 2015

HOUSING REVENUE ACCOUNT

REVENUE BUDGET 2015/2016

| | Final Revenue Budget 2014/2015 £000 | Provisional Revenue Budget 2015/2016 £000 |
|--|---|---|
| <u>EXPENDITURE</u> | | |
| STAFF COSTS | | |
| Salaries and Wages (including NI and Supn): | | |
| Chief Officials | 358 | 296 |
| Local Government Employees | 10,480 | 9,813 |
| Supplementary Superannuation Charges | 100 | 110 |
| Staff Training | <u>50</u> | <u>36</u> |
| TOTAL STAFF COSTS | <u>10,988</u> | <u>10,255</u> |
| PROPERTY COSTS | | |
| Rents | 340 | 322 |
| Non Domestic Rates | 338 | 324 |
| Property Insurance | 567 | 567 |
| Repairs and Maintenance | 11,096 | 11,167 |
| Health and Safety Contracts | 140 | 150 |
| Energy Costs | 632 | 631 |
| Fixtures and Fittings | 44 | 38 |
| Cleaning Costs | 35 | 33 |
| Security Costs | 140 | 120 |
| Lost Rents and Bad Debts | 2,092 | 1,837 |
| Open Space Maintenance | <u>864</u> | <u>898</u> |
| TOTAL PROPERTY COSTS | <u>16,288</u> | <u>16,087</u> |
| SUPPLIES & SERVICES | | |
| Equipment and Furniture | 63 | 44 |
| Liabilities Insurance | 558 | 558 |
| Clothing, Uniforms and Laundry | 6 | 6 |
| Printing, Stationery and General Office Expenses | 146 | 138 |
| Professional Fees | 99 | 67 |
| Postages, etc | 72 | 47 |
| Telephones | 98 | 83 |
| Storage | 111 | 62 |
| Other Supplies and Services | <u>400</u> | <u>426</u> |
| TOTAL SUPPLIES & SERVICES | <u>1,553</u> | <u>1,431</u> |
| TRANSPORT COSTS | | |
| Repairs and Maintenance and Other Running Costs | 15 | 13 |
| Transport Insurance | 2 | 2 |
| Car Allowances | <u>56</u> | <u>57</u> |
| TOTAL TRANSPORT COSTS | <u>73</u> | <u>72</u> |
| THIRD PARTY PAYMENTS | | |
| Voluntary Organisations | <u>71</u> | <u>53</u> |
| TOTAL THIRD PARTY PAYMENTS | <u>71</u> | <u>53</u> |
| SUPPORT SERVICES | | |
| Recharge from Central Support Departments | <u>1,636</u> | <u>2,770</u> |
| TOTAL SUPPORT SERVICES | <u>1,636</u> | <u>2,770</u> |

HOUSING REVENUE ACCOUNT

REVENUE BUDGET 2015/2016

| | Final Revenue Budget 2014/2015 £000 | Provisional Revenue Budget 2015/2016 £000 |
|---------------------------------------|--|--|
| CAPITAL FINANCING COSTS | | |
| Loan Repayments | 11,419 | 11,506 |
| Loan Interest | 8,436 | 8,129 |
| Loans Fund Expenses | 127 | 64 |
| TOTAL CAPITAL FINANCING COSTS | <u>19,982</u> | <u>19,699</u> |
| PLANNED MAINTENANCE | <u>4,058</u> | <u>4,750</u> |
| <u>TOTAL GROSS EXPENDITURE</u> | <u>54,649</u> | <u>55,117</u> |
| <u>INCOME</u> | | |
| Internal Recharge to Other Housing | 905 | 885 |
| Rents, Fees and Charges | 49,522 | 48,926 |
| Interest | 10 | 10 |
| Sheltered Housing Management Charge | 2,794 | 2,779 |
| Other Income | 1,418 | 1,394 |
| <u>TOTAL INCOME</u> | <u>54,649</u> | <u>53,994</u> |
| <u>TOTAL NET EXPENDITURE</u> | = | <u>1,123</u> |