
HOUSING REVENUE ACCOUNT – REVENUE ESTIMATES

1 SUMMARY

- 1.1 As part of the budget process tenants' representatives and Members of the Sub-Committee consider the annual budget before being submitted to Council on 22 January 2002.

2 CONSIDERATION

- 2.1 The Draft Revenue Estimates covering 2001/02 and 2002/03 are appended to this report. Also appended are the 2002/03 estimates shown in the resource accounting format.
- 2.2 At the moment these Estimates do not contain a rent increase as this is subject to Government announcements. This information should be available at the date of the meeting. When the rent increase is included there is expected to be a matching decrease in housing subsidies and therefore the net effect is nil.
- 2.3 Looking at the Estimates the following should be noted:

Movement in Balances

- (1) The original drawdown in balances for 2001/02 was estimated at £325,100. This is now estimated at £121,200. This reduction is due mainly to savings on salaries for general management and sheltered housing, general property repairs and maintenance and re-charges into the Housing Revenue Account.
- (2) The drawdown for 2002/03 is estimated at £241,900. The closing balance at 31 st March 2003 is estimated at £ 504,193. Therefore if a similar drawdown in balances occurs in 2003/04 to that in 2002/03, balances will fall below £300,000.

Repairs and Maintenance

- (1) Repairs and maintenance have been shown at the same level in 2002/03 as 2001/02. Estimates have now been split between general properties and OAP schemes. This is however a very broad split and will be refined in future years as data is collected. For 2002/03 the budget will be regarded as a single provision even though it is shown as two separate components.

Major Repairs Allowance

- (1) For 2002/03 a recharge of fees to the Major Repairs Allowance has been included. This follows normal practice in that the cost of works should include associated fees.

3 RESOURCE IMPLICATIONS

- 3.1 The Housing Revenue Account has a duty to avoid a deficit.

4 RECOMMENDATION

It is proposed that the Sub-Committee **RECOMMENDS**

That the Housing Revenue Account Budget for 2001/02 and 2002/03 be presented to Council on the 22 January 2002.

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Background Papers:

None.

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