

HOUSING REVENUE ACCOUNT – BUSINESS PLAN AND CAPITAL PROGRAMME 2004/5

1 SUMMARY

- 1.1 Members to consider the Housing Revenue Account (HRA) Business Plan and Capital Programme for 2004/05 and subsequent years.

2 INTRODUCTION

- 2.1 New rules now apply for the consideration of the Housing Revenue Account Business Plan, which includes the Council's Capital Programme. All Local Authorities are being encouraged to produce a plan spanning at least five years rather than just looking one year ahead.
- 2.2 Almost all projects contained in the Business Plan are centred around the delivery of the Government's Decent Homes Initiative.

3 RESOURCE IMPLICATIONS

- 3.1 Continued funding under the Decent Homes initiative will permit broader schemes to proceed over the review period with scope for new procurement methods and longer-term contracts. This might include contract periods extending for the life of the plan.
- 3.2 The Government aim is that all homes should meet the decency standards by 2010.
- 3.3 The Draft Business Plan, which included draft capital expenditure items, was considered by Community Overview and Scrutiny Committee in October and has now been submitted to the Government Office for the East of England. Their views on the first draft are awaited.

4 ADDITIONAL ITEMS

- 4.1 During the year both Members and Officers have been approached regarding schemes which might be considered for inclusion in the Capital Programme, the most significant of which is a request for additional car parking provision at Ormond Avenue, Rochford.
- 4.2 Ormond Avenue is a narrow estate road in Rochford with a hammer-head turning area bounded by greensward. One resident has suggested that additional parking be provided by tarmacing all or part of the greensward. The Council's Principal Engineer advises that this is possible subject to an underground survey regarding utility supplies. The cost would be around £30,000 plus the cost of re-routing utilities (if applicable).

- 4.3 Of the 43 properties in Ormond Avenue, 33 have been sold and are now in private ownership. If the scheme found Council support, it would be necessary to canvass the views of the owner/occupiers as they would be asked to bear a proportionate cost of the works. The Council's exposure would therefore be limited to around £7,000 plus a proportion of the utilities re-routing costs.

5 RISK IMPLICATIONS

5.1 Strategic Risk

The Council is required to be a major force of influence in the local housing market and should demonstrate its commitment to delivering the Government's Decent Homes Initiative.

5.2 Resources Risk

The Council is a major landlord of social housing in the District and as such maintaining the viability of the Housing Revenue Account is essential to safeguard the quality of the stock to command the rents charged.

5.3 Operational Risk

Failure to provide adequate resources may result in the Council being unable to fulfil its housing obligation.

5.4 Regulatory Risk

The Council is required to ensure that the decency standards are met by 2010.

5.5 Reputation Risk

The Council needs to avoid a reputation as a "bad landlord".

Most of the housing services delivered are monitored through a series of published statutory or local Performance Indicators. Gaining a reputation as a "poor performer" would be detrimental to the area, demoralising for existing staff and have a negative effect on staff recruitment.

5.6 Third Party Risk

Maintaining property in good condition minimises risk to third parties.

6 RECOMMENDATION

- 6.1 It is proposed that the Committee **RESOLVES**

That the appended draft Capital Programme be agreed for submission to Council.

S J Clarkson

Head of Revenue and Housing Management

Background Papers:

None

For further information please contact Steve Clarkson on:-

Tel:- 01702 546366 Ext 3120

E-Mail:- steve.Clarkson@rochford.gov.uk

Housing Capital Programme & Financing

	Estimate 2004/05	Estimate 2005/06	Estimate 2006/07	Estimate 2007/08	Estimate 2008/09	
Housing Revenue Account						
1	Cash Incentive	75,000	75,000	75,000	75,000	
Decent Homes						
2	Roofs	7,000	7,000	7,000	7,000	
3	Windows	10,000				
4	Doors	100,000	100,000	100,000	100,000	
5	C/Heating gas boilers	117,000	117,000	117,000	117,000	
6	Electrical systems	42,000	42,000	42,000	42,000	
7	C/Heating systems	34,000	34,000	34,000	34,000	
8	Loft Insulation	50,000	50,000	50,000	50,000	
9	Kitchens	230,000	230,000	250,000	250,000	
10	Bathrooms	120,000	120,000	120,000	200,000	
11	Walls	8,000	8,000	8,000	8,000	
12	Decent Homes Total	718,000	708,000	728,000	808,000	
13						
14	Project work					
15	Sheltered - Boiler replacements	75,000	75,000	75,000		
16	Conversion of properties	90,000				
17	Disabled Adaptations	60,000	65,000	70,000	80,000	
18	Hatfield House Improvements	52,000				
19	Sheltered Homes conversion/ Decent Homes	280,000	250,000	250,000	250,000	
20	Fees to be allocated to schemes	100,000	100,000	100,000	100,000	
21	Sheltered - Communal works(carpets)	15,000	16,000	17,000	19,000	
22	Door entry systems (Essex Close & Worcester Drive)		30,000	10,000		
23	Ormond Avenue provision	9,000				
24	Digital Aerials	10,000	10,000	10,000	10,000	
25	Total	1,484,000	1,329,000	1,335,000	1,336,000	
26						
27	HRA Financing (MRA) (Estimate)	1,200,000	1,043,000	1,060,000	1,078,000	
28	Capital Receipts applied (new)	200,000	200,000	200,000	200,000	
29	Capital Receipts applied(existing)					
30		1,400,000	1,243,000	1,260,000	1,278,000	
31						
32						
33	Miscellaneous items/ funding	- 84,000 -	- 86,000 -	- 75,000 -	- 58,000 -	47,000

APPENDIX A