

**Agenda Item No:** 9.4 **Report No:** 25/16  
**Report Title:** Housing Revenue Account Budget 2016/2017  
**Report To:** Cabinet **Date:** 8 February 2016  
**Cabinet Member:** Councillor Ron Maskell  
**Ward(s) Affected:** All  
**Report By:** Gillian Marston, Director of Service Delivery  
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**Purpose of Report:**

This report presents the Housing Revenue Account Budget 2016/2017.

**Officers Recommendation(s):**

That Cabinet reviews the Housing Revenue Account Budget and approves recommendations 1, 2, 3, 4, 5, 6 and 7.

1. The budgets for 2016/17 (*Appendix 1 of this report*).
2. A reduction in dwelling rents of 1%, effective from 4 April 2016. (*Section 9 of this report*).
3. A reduction of 1% in Affordable Rents, effective from 4 April 2016 (*Section 10 of this report*).
4. An average garage rent increase of 1.4%, effective from 4 April 2016. (*Section 11 of this report*). This is in line with the Business Plan and current Council policy on garage rentals.
5. An increase of 0.9% in Private Sector Leased Property rents, effective from 4 April 2015 (*Section 12 of this report*).
6. Implement revised Service Charges, effective from 4 April 2016 (*Sections 13 to 18 of this report*).
7. The 30-year Housing Business Plan is refreshed in 2016/2017.

## **Reasons for Recommendations**

- 1.** To enable the Council to fulfill its legal obligations to produce a balanced Housing Revenue Account for 2016/2017.

## **Information**

### **2. Introduction**

**2.1.** The national Housing Revenue Account self-financing system allows all income generated to be kept locally and available to fund the maintenance and management of the housing stock, service debt and acquire and provide additional Social Housing.

**2.2.** Part 4 of the Housing and Planning Bill 2015 proposes:

- To give councils a duty to consider selling high-value homes and require them to make payments to central government calculated on the assumption that such homes will be sold as they become vacant;
- To require councils, along with housing associations, to charge market or near-market rents to tenants with household incomes above £30,000 a year (£40,000 in London);
- To require councils to issue 2 to 5 year fixed term tenancies to nearly all new tenants.

These measures are expected to be introduced from 1 April 2017. The proposals are at an early stage, and it is not yet possible to evaluate the financial impact on the Housing Revenue Account with any certainty. The measures are likely to increase costs and reduce income, putting further pressure on the Housing business plan.

**2.3.** The budgets have been prepared on the basis of the national Housing Revenue Account Accounting Code of Practice, with management, maintenance and debt financing costs offset by income from rents, service charges and other contributions.

### **3. Budget Information**

**3.1.** The Housing Revenue Account Budget 2016/2017 reflects the organisational change taking place within the Council, the Government's proposed new policy on dwelling rents and the new priorities for capital and maintenance works. The budget does not include a contribution to finance the capital programme, and shows a total estimated balance in hand at year end of £2,458,112.

**3.2.** A provision has been made for movements in the pay bill in line with the expected national settlement. Salary budgets also allow for contractual

salary increments, employers pension contributions, organisation change and a 2% vacancy rate.

- 3.3. The budgeted employer's pension contribution rate for 2016/2017 is the same as that proposed by the actuary following the three yearly review of the East Sussex Pension Fund, which was finalised in December 2013.
- 3.4. Inflation has been provided to cover known price changes, such as utility and contractual commitments. In addition, the noted items in 3.5 to 3.7 have been provided in the budget.
- 3.5. It is essential that the long-term Business Plan is updated with current information on the condition of the housing stock. This allows expenditure on future major repairs and replacements to be synchronised with available resources. A provision of £457,000 for a stock condition survey and associated administration was included within the 2015/2016 supervision and management budget. The results of the survey will be used to inform a full update of the 30-year Business Plan, which will also reflect the impact of the Government reforms explained in this report.
- 3.6. The planned and responsive maintenance budget allows for an increase of £437,200. This allows for the increase in costs forecasted by the Royal Institution of Chartered Surveyors (RICS) and the review of planned and responsive maintenance and works to void properties.
- 3.7. The Council continues to replace old electric storage heating with sustainable air source heat pump heating systems. These warm centrally heated homes can achieve electricity savings of up to 40%. The completed systems attract Renewable Heat Incentive payments which are calculated on the savings expected for each individual property (on average £100 per quarter, for seven years).

The anticipated income is £120,000 (2015/2016 & 2016/2017), which has been included in the budget and added to the Working Balance (Special Projects).

## **Budget Presentation**

### **4. Budget Layout**

- 4.1. The budget layout complies with national accounting requirements and includes explanatory notes within the body of the budgets. An explanation of items included within the expenditure headings is given below.
  - a) Employees – Includes the salary costs of the Council's workforce directly providing the service. This heading includes employee related insurance premiums.
  - b) Premises – Includes the costs associated with buildings such as repairs and maintenance, upkeep of grounds, energy, and water charges.

- c) Transport – Running costs of council owned vehicles together with employee car allowances and use of public transport.
- d) Supplies and Services – Day to day running costs such as printing, stationery, telephones, external professional services and administrative overheads in respect of employees who directly provide the service.
- e) Agency and Contracted Services – Where a contractor wholly undertakes the provision of a service, the costs will be shown against this heading.
- f) Support Services – This heading includes costs such as accountancy, legal, and IT services (e.g. hardware, software and operational systems).
- g) The Housing Revenue Account Budget is set out at Appendix 1.

## **Housing Revenue Account Debt**

### **5. Housing Debt and Debt Ceiling**

- 5.1.** The Government continues to maintain control of borrowing for local authority housing. The Council's successful bid to Government for additional borrowing of £2.317m, to finance the construction of thirty new dwellings, increased the Housing Revenue Account 'Debt Cap' to £75.248m.
- 5.2.** The Council's Housing Revenue Account borrowing is now capped at £75.248m. Actual borrowing at 1 April 2016 is projected to be £63.980m, leaving borrowing headroom of £8.951m, as shown in Table 1.
- 5.3.** The HRA Capital Financing Requirement is met by a combination of loans, as summarised in Table 1. This assumes that no premature loan repayments are made before 31 March 2016.
- 5.4.** The Public Works Loan Board (PWLB) loan interest rate is the average interest rate payable on a combination of individual loans with varying maturity dates. A fixed rate of interest applies to the Barclays Bank loan. The internal borrowing (from the General Fund) interest rate is equivalent to the indicative PWLB one year rate. The approach that is taken on internal borrowing is specified within the Council's Treasury Management Strategy.

**TABLE 1**

	<b>Loans</b>	<b>Interest</b>	<b>Interest</b>
	<b>1 April 2016</b>	<b>Rate</b>	<b>Amount</b>
	<b>£</b>	<b>%</b>	<b>£</b>
Public Works Loan Board	51,673,000	2.9264	1,512,200
Barclays Bank	5,000,000	4.5000	225,000
Internal Borrowing from General Fund	7,307,228	1.4400	120,100
<b>Total Debt</b>	<b>63,980,228</b>	<b>2.8838</b>	<b>1,857,300</b>
Increase Approved by DCLG (New Dwellings Construction)	2,317,090		
Debt Headroom	8,950,772		
<b>Debt Allocation &amp; Debt Cap</b>	<b>75,248,090</b>		

## The Budget 2016/2017

### 6. The Major Repairs Reserve

- 6.1.** It is essential that there are sufficient resources set aside within the Housing Revenue Account for the long term maintenance and renewal of the housing stock. This is achieved by setting aside in the Major Repairs Reserve the amount charged to the Housing Revenue Account as depreciation each year.
- 6.2.** Authorities are expected to use the Major Repairs Reserve in line with the priorities and phasing set out in the Business Plan and maintain the decent homes standard, rather than fund the acquisition of new assets.
- 6.3.** The projected movements on the Major Repairs Reserve are shown in TABLE 2 below. The amounts shown for 2015/2016 differ from the original budget having been updated to take into account the revised Capital Programme and depreciation calculated on the actual value and components of the housing stock at 1 April 2015.

**TABLE 2**

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance 1 April	1,423,858	1,112,431	743,857	642,757	251,657
Depreciation	4,579,000	4,912,100	4,953,900	4,943,900	4,953,900
Capital Programme	(4,890,427)	(5,280,674)	(5,055,000)	(5,335,000)	(4,955,557)
<b>Balance 31 March</b>	<b>1,112,431</b>	<b>743,857</b>	<b>642,757</b>	<b>251,657</b>	<b>250,000</b>

- 6.4.** Cabinet will consider the use of the Major Repairs Reserve and the level of balance required for the immediate future as part of its capital programme recommendations. Tenant representatives are consulted on the use of the Reserve.

## 7. Working Balance

- 7.1.** The HRA Business Plan has a planned general Working Balance of £1.5 million. This position allows for a buffer against unforeseen events with an impact on expenditure or income in the year.
- 7.2.** In addition to the General element of the Working Balance, amounts are held to fund potential costs in future years. TABLE 3 draws together all the earmarked components of the HRA working balance and shows the projected Working Balance at 31 March 2016.
- 7.3.** The Special Projects element of the working balance is available to fund the HRA share of the Service Transformation/Integration Programme and staff redeployment.

**TABLE 3**

<b>Working Balance Allocation</b>	<b>Actual 2014/15 £</b>	<b>Original 2015/16 £</b>	<b>Projected 2015/16 £</b>	<b>Budget 2016/17 £</b>
General Working Balance	1,300,083	1,500,000	1,040,742	1,500,042
Capital Expenditure	112,247	-	-	-
Budget Carry Forwards	319,418	-	-	-
Service Charges	74,464	-	-	-
Special Projects	556,700	742,810	623,070	683,070
Self-Insurance	275,000	275,000	275,000	275,000
<b>Total Working Balance</b>	<b>2,637,912</b>	<b>2,517,810</b>	<b>1,938,812</b>	<b>2,458,112</b>

## 8. The Revenue Budget 2016/2017

- 8.1.** Income in 2016/2017 exceeds expenditure by £519,300, which will be credited to the Working Balance. The major variations for 2016/2017 are analysed below in TABLE 4.

**TABLE 4**

Budget Variations	Budget 2016/2017 £'000	Budget Variations	Budget 2016/2017 £'000
Original Budget Deficit 20/15/2016	491	Repairs and Maintenance	
Dwelling, Land & Building Rents	175	Employees, Central Support, Admin	(16)
Charges for Services	(72)	Planned Repairs	(304)
ESCC Supporting People	147	Responsive Repairs	236
Community Amenities Contribution	3	Void Property Repairs	505
Supervision & Management		Rents & Rates	(1)
Employees, Central Support, Admin	16	Supporting People Protection	(15)
Professional Services & Advice	(482)	Depreciation of Fixed Assets	533
Tenants Incentive Scheme	(49)	Contribution to Capital Programme	(820)
Lifeline	(4)	Repayment of Internal Borrowing	(893)
Special Services		Interest on Borrowing	21
Employees, Central Support, Admin	5	Investment Income	(6)
Lifts	(20)	Debt Management Charges	4
Sheltered Alarm Systems	6	Net Variation	(1,010)
Caretaking & Cleaning	36	Projected Net Deficit (Surplus)	(519)
Grounds Maintenance	9	Projected Balance 1 April 2016	(1,939)
Heating & Lighting Energy	(24)	Estimated Balance 31 March 2017	(2,458)

## 9. The Rent Decisions

- 9.1.** The Welfare Reform and Work Bill 2015 has a provision requiring local authority and housing association rents to be reduced by 1% per year for 4 years, starting in April 2016.
- 9.2.** The Bill is progressing through Parliament and there are many points still to be clarified with regard to the detailed operation of the proposals, particularly with regard to new tenants moving to target rents.
- 9.3.** The budget has been prepared on the basis of an overall 1% reduction in dwelling rents from 4 April 2016.
- 9.4.** Projected Rents (Based on December 2015 Data) are shown in TABLES 5 & 6.

**TABLE 5**

Dwelling Type	Average Weekly Rent	
	2015/16 £	2016/17 £
Bedsits	61.66	61.04
1 Bedroom Flat	73.78	73.05
2 Bedroom Flat	83.23	82.40
3 Bedroom Flat	88.67	87.78
4 Bedroom Flat	99.50	98.50
1 Bedroom House	83.11	82.28
2 Bedroom House	96.37	95.41
3 Bedroom House	107.33	106.25
4 Bedroom House	115.50	114.35
5 Bedroom House	119.31	118.12
6 Bedroom House	135.08	133.73

**TABLE 6**

Dwelling Type	Average Weekly Rent	
	2015/16 £	2016/17 £
All Bedsits	61.66	61.04
All Flats	76.79	76.02
All Houses	100.96	99.95
All Dwellings	<b>90.31</b>	<b>89.41</b>

## 10. Affordable Rents

**10.1.** The Council has acquired two properties under the Mortgage Rescue Scheme, as facilitated by Moat Homes Ltd (MOAT). The rents on these properties are set as Affordable Rents, which are based on 80% of the monthly Market Rent. The agreements provide that the rents will increase in April each year by the Retail Price Index (September RPI (0.9%) plus 0.5%). However, these rents will be subject to the 1% reduction proposed by the government.

**10.2.** The reduction in affordable rents in 2016/2017 will be 1%.

## 11. Garage Rents

**11.1.** Garage Rents are not within the scope of formula rents. It is left to each Council to formulate its own policy on garage rents.

**11.2.** The Council has undertaken a continuing programme of refurbishment works to council garages. In approving the refurbishment programme, Cabinet agreed that garage rents should reflect the local garage rental market.

**11.3.** A market review of garage rents is undertaken every five years and in November 2015, District Valuer Services undertook a review of market rents. The results of the review are shown in Table 7. Following a market review, garage rentals are updated each subsequent year by September RPI.

**11.4.** TABLE 7 sets out the weekly market rents for garages.



**TABLE 7**

	<b>Full Market Rents Overall</b>	<b>Rents 2015/16</b>	<b>Rents 2016/17</b>	<b>Rent Increase</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>%</b>
Lowest	11.63	11.38	11.63	0.25	2.2
Average	16.50	16.27	16.50	0.23	1.4
Highest	17.25	17.16	17.25	0.09	0.5

## 12. Private Sector Leased Property Rentals

- 12.1.** The Council's private sector leasing (PSL) scheme falls outside the scope of formula rents and is accounted for in the General Fund. The properties are leased from owners/landlords for a three-year period and sub-let to homeless families. There are currently twelve properties within the scheme.
- 12.2.** The annual rent increase, if any, to owners is dealt with in the head lease.
- 12.3.** The Council's policy is to increase PSL rents each April by the September RPI inflation factor, which is 0.9% for 2016/2017.

## The Service Charges Decisions

### 13. The Special Services Charge

- 13.1.** Following the review of the Communal Service Charge (Section 14), the Special Services Charge will be withdrawn from 4 April 2016.

### 14. The Communal Service Charge

- 14.1.** A review of the Communal Service Charge has been undertaken with the aim of aligning the charges for tenants with those of leaseholders; reflecting the organisational change within the Council and the new contracts for grounds maintenance and communal cleaning.
- 14.2.** The charge recovers the cost of communal services provided to general needs flats. The services include grounds maintenance, maintenance of lifts, caretaking and cleaning, door entry and alarm systems, TV aerials, laundry services and communal lighting.
- 14.3.** The average service charge is £5.35, with the lowest at £0.87 and the highest at £18.59. The variations are shown in Table 8.

**TABLE 8**

	Properties	Minimum £	Average £	Maximum £
Reductions	149	0.01	1.81	3.83
Increases up to £3	655	0.05	1.41	2.99
Increases over £3	374	3.01	5.25	13.33
Average		<b>2.22</b>	<b>2.22</b>	<b>3.83</b>
Total	<b>1,178</b>			

**14.4.** The new charges will be implemented from 4 April 2016. It is proposed that all reductions (149 cases) be implemented in full and that increases for the remainder be capped at £3 per week. This approach mirrors that which has been used in 2015/2016 to cap rent increases for those properties which are below target rents.

**14.5.** The communal element of the service charge is eligible for housing benefit.

#### **15. The Homeless Accommodation Service Charge**

**15.1.** The service charge relates to the facilities provided at homelessness properties held within the Housing Revenue Account.

**15.2.** The Homeless Accommodation Service Charge for 2016/2017 has been reviewed, in accordance with agreed Council practice, to reflect the proposed budget. The communal element of the service charge is eligible for housing benefit.

#### **16. The Supported Housing Service Charge**

**16.1.** A review of the sheltered housing service is nearing completion and will reflect the organisational change within the Council and the likely withdrawal of East Sussex County Council from the Supporting People service (Section 17).

**16.2.** The current service charge has been updated to reflect the 2016/2017 budget to achieve full cost recovery. When the service review is complete a revised service charge will be introduced to reflect the redesigned service.

**16.3.** The communal element of the service charge is eligible for housing benefit.

#### **17. The Supporting People Service Charge**

**17.1.** East Sussex County Council currently makes a financial contribution towards the cost of providing the Supporting People service to eligible tenants. The agreed contribution is £10 per week per unit. The number of tenants eligible for support is capped at 307 units.

- 17.2.** Eligible tenants in receipt of the support package receive financial support from the County Council. Where there is no entitlement to financial support, tenants are required to pay the full support charge from their own resources.
- 17.3.** Tenants who are not eligible for support from the County Council but were tenants at the start of the new scheme (April 2003) are entitled to full protection until such time as their tenancy is terminated. This is a charge on the Housing Revenue Account.
- 17.4.** East Sussex County Council has indicated that they are minded to withdraw financial support for the scheme from May 2016. The loss of income to the Housing Revenue Account is £160,000 per annum. A review of the support service is progressing and proposals for a redesigned service and new associated service charge will shortly be introduced.

## **18. Other Service Charges**

- 18.1.** All other service charges have been updated to reflect the 2016/2017 budget and achieve full cost recovery. This charge includes sundry charges for digital television reception, residual lifeline services and domestic cookers provided at certain properties.

## **The Capital Programme**

**19.** The capital programme is restricted to the amount of funding available from four major sources.

- *Prudential Borrowing.* Any borrowing to fund additions or improvements to the stock must be affordable to the HRA. The borrowing must not take the total debt above the cap of £75,248,090 (paragraph 5.4 - TABLE 1).
- *The Major Repairs Reserve* (paragraph 6.3 - TABLE 2).
- *Capital Receipts.* As an indication, in the first six months of 2015/2016, the proceeds from the sale of three dwellings amounted to £365,100, which have been allocated, in accordance with statutory requirements, for four purposes.
  - (i) To finance Non-HRA capital expenditure (£68,240);
  - (ii) To repay HRA borrowing, in accordance with the self-financing settlement (£21,631);
  - (iii) To pay the Government its prescribed share, (£172,932);
  - (iv) To fund new affordable housing, in accordance with the Government '1-4-1 retained receipts' scheme introduced in April 2012 (£102,297).

**20.** Retained receipts from Council House Right to Buy Sales must be spent on new affordable housing, but can only be used to fund a maximum of 30% of the cost of the new homes within a rolling 3-year period. Any unused receipts must be returned to the Government with interest. The retention scheme was implemented

on 1 April 2012 and since that date receipts with a total value of £1.871m have been initially retained requiring spending of £6.236m on new affordable homes. Of this amount, £1.670m has been spent to date and £3.817m has been committed towards the construction of 30 new dwellings on former garage sites, referred to elsewhere in this report.

21. Capital Requirements for the next three years are shown in TABLE 10. This is based on historic stock condition survey data and will be revised when information becomes available from the survey currently being commissioned.

21.1. TABLE 9 shows those items within the approved 2015/2016 Capital Programme relating to those services covered by the Housing Revenue Account. Following a review of HRA capital investment, around £2m is likely to be deferred to 2016/17. In addition, a further £3.5m in respect of the construction of new dwellings will be deferred to 2016/2017.

TABLE 9

Line No		Approved Programme 2015/16	Approved Programme Variations	Revised Programme 2015/16
		£	£	£
1	<b>HOUSING INVESTMENT CAPITAL PROGRAMME</b>			
2	Construction of New Dwellings			
3	- Balcombe Road, Peacehaven	759,830		759,830
4	- Grassmere Court, Telscombe Cliffs	506,550		506,550
5	- Headland Way, Peacehaven	506,550		506,550
6	- Hythe Crescent, Seaford	235,340		235,340
7	- Rectory Close, Newhaven	1,013,110		1,013,110
8	- Valley Road, Newhaven	506,550		506,550
9	- Waldshut Road, Lewes	289,160		289,160
10	- Robinson Road - Project Development		280,000	280,000
11	Improvements to Stock			
12	- Kitchen & Bathroom Renewals	600,000	26,577	626,577
13	- Heating Improvement Programme	1,000,000		1,000,000
14	- Electric Heating Sustainable Replacement	1,200,000		1,200,000
15	- Window & Door Replacement Programme	600,000	7,685	607,685
16	- Rewiring Programme	100,000		100,000
17	- Roofing & Chimney Works	650,000		650,000
18	- Structural Works	105,000	17,528	122,528
19	- Minor Insulation & Other Sundry Housing Works	70,000	(30,327)	39,673
20	- Fire Precaution Works	300,000		300,000
21	Digital TV Aerial & Cabling Works		33,000	33,000
22	Adaptations for Disabled Tenants	350,000		350,000
23	Environmental Improvements	120,000		120,000
24	Housing Estates Recreation and Play Areas	50,000		50,000
25	Rooms in Roof Conversions	150,000		150,000
26	Door Entry Security Systems	50,000	57,784	107,784
27	Right to Buy Buy-Back Scheme	185,000		185,000
28	<b>Total HRA Housing Capital Programme</b>	<b>9,347,090</b>	<b>392,247</b>	<b>9,739,337</b>
29	<b>CAPITAL PROGRAMME FUNDING</b>			
30	Borrowing	2,502,090	-	2,502,090
31	Capital Receipts	1,500,000	(20,000)	1,480,000
32	HRA Major Repairs Reserve	4,525,000	755,674	5,280,674
33	GRA Asset Maintenance Reserve	-	6,573	6,573
34	HRA Revenue Account	820,000	(350,000)	470,000
35	<b>TOTAL CAPITAL PROGRAMME</b>	<b>9,347,090</b>	<b>392,247</b>	<b>9,739,337</b>

- 21.2.** Capital schemes in respect of private sector housing or housing association schemes are within the General Fund Housing Investment Capital Programme.
- 21.3.** This approach is adopted because some of the resources which are available to the Council to fund the Capital Programme can be used on either the General Fund or Housing Revenue Account, for example capital receipts, whereas other resources can only be used for HRA purposes. Cabinet agrees the split of the shared resources, according to its overall priorities for capital expenditure.
- 21.4.** The proposed programme for the three-year period 2016/17 to 2018/19 is shown in TABLE 10 below. It assumes the Council undertakes prudential borrowing of £13,379,000; utilises the Major Repairs Reserve of £15,343,900 and makes a revenue contribution to the capital programme of £381,100.
- 21.5.** The proposed programme includes £12.8m for the New Homes project, allocated to the two years 2017/18 and 2018/19 when the majority of development costs can be expected to be incurred. This is illustrative and the actual allocation of costs between years (including 2016/17) will be refined as schemes progress.

**TABLE 10**

Ref	HRA Investment Capital Programme	2016/17 £	2017/18 £	2018/19 £
1	New Homes	-	3,883,000	8,921,000
2	Improvements to Existing Stock	4,000,000	4,380,000	4,380,000
3	<i>Other Works</i>			
4	Adaptations for Disabled Tenants	415,000	350,000	350,000
5	Lift Upgrades & Replacement	120,000	135,000	135,000
6	Security Systems Replacement	20,000	20,000	20,000
7	Communal TV Aerials Replacement	35,000	35,000	35,000
8	Rooms in Roof Conversions	165,000	165,000	165,000
9	Roads, Paths & Engineering	200,000	150,000	150,000
10	Environmental Improvements	50,000	50,000	50,000
11	Recreation & Play Areas	50,000	50,000	50,000
12	Buy Back of Right to Buy Properties	185,000	195,000	195,000
13	<b>Total</b>	<b>5,240,000</b>	<b>9,413,000</b>	<b>14,451,000</b>
14	<i>Funding</i>			
15	Borrowing	185,000	4,078,000	9,116,000
16	Major Repairs Reserve	5,055,000	5,335,000	4,953,900
17	Revenue Account Contribution	-	-	381,100
18	<b>Total</b>	<b>5,240,000</b>	<b>9,413,000</b>	<b>14,451,000</b>

## **22. Tenant Consultation**

- 22.1.** An integral part of the Budget process is a constructive dialogue with The Tenants of Lewes District Group (TOLD). This year the Council has been in ongoing discussions with TOLD regarding the Revenue Budget and Capital Programme.

## **Financial Implications**

- 23.** These are included in the main body of the report.

## **Risk Management Implications**

- 24.** I have completed a risk assessment in accordance with the Council's Risk Management methodology and the following risks and mitigating factors have been identified.

- 24.1.** The Revenue Budget has been compiled in accordance with the approved budget preparation guidelines, mitigating the risk that the budgets do not reflect likely expenditure needs or income levels.

## **Equality Screening**

- 25.** This is a budget report for which detailed Equality Analysis is not required to be undertaken. The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant Council reports and it is not considered necessary to undertake an overarching analysis of the budget proposals as a whole.

## **Legal Implications**

- 26.** None arising from this Report

## **Background Papers**

The Housing and Planning Bill 2015  
The Welfare Reform Bill 2015

## **Appendices:**

Appendix 1 – Housing Revenue Account Budget 2016/2017