

Minute extracts

Meeting: **Cabinet**

Date: **7 February 2018**

Housing revenue account revenue budget and rent setting 2018/19 and capital programme 2017/21.

The Cabinet considered the report of the Deputy Chief Executive (Chief Finance Officer) and Director of Service Delivery regarding the housing revenue account (HRA) budget proposals, rent levels, service charges and heating costs for 2018/19, and the HRA capital programme for 2017/2021.

The HRA had a requirement to be self-financing, meaning that expenditure had to be supported from rental and other income.

Councillor Shuttleworth added that there was still uncertainty over the government's levy on the sale potential of HRA 'high value properties'. The necessary regulations had yet to be issued and it was expected that councils would now not have to pay the levy until April 2019. The government had not however given any indication that the levy would be abandoned.

Resolved (budget and policy framework):

That full council, at their meeting on 21 February 2018, be recommended to approve the following:

- (1) The HRA budget for 2018/19 and revised 2017/19 as set out at appendix 1 to the report.
- (2) That social and affordable rents (including shared ownership) are decreased by 1% in line with government policy.
- (3) That service charges for general needs properties are increased by 5.14%.
- (4) That service charges for the older persons sheltered accommodation are increased by 1.78%.

(5) That the support charge for sheltered housing residents remains at £7.50 per unit, per week pending a review in the summer.

(6) To give delegated authority to the Director of Service Delivery, in consultation with the Cabinet portfolio holders for Financial Services and Direct Assistance Services to set the support charge for sheltered housing residents following a review of costs in the summer.

(7) That heating costs are set at a level designed to recover the estimated actual cost.

(8) That water charges are set at a level designed to recover the estimated cost of metered consumption.

(9) Garage rents are increased by 4% this year following the disposal and repurposing of designated garage sites.

(10) To give delegated authority to the Chief Executive, in consultation with the Cabinet Portfolio holders for Financial Services and Direct Assistance Services and the Head of Finance to finalise Eastbourne Homes' Management Fee and Delivery Plan.

(11) The HRA capital programme as set out at appendix 2 to the report.

Reason for decision:

The Cabinet has to recommend to Full Council the setting of the HRA revenue and capital budget and the level of social and affordable housing rents for the forthcoming year.

Meeting: **Scrutiny**

Date: **5 February 2018**

26. HRA Revenue Budget and Rent Setting 2018/19 and HRA Capital Programme 2017/21.

Part extract only:

Members' discussion included:

- A request for more information regarding how many rental properties the Council owned, and what the average rental figure was.
- A request for an analysis of the Supervision and Management budget heading.

- If there would be an independent review regarding the Eastbourne Homes Management Fee which was set at £7,219,500 for 2017/18 and was proposed to remain the same for 2018/19.

Officers responded that:

- The Council currently owned around 3,500 properties and the Head of Finance would circulate the average rental figure in due course.
- The Head of Finance would provide a breakdown of the Supervision and Management budget head.
- There would be no independent review of the Eastbourne Homes Management Fee, as extensive work had gone into assuring that the fee appropriately covered the necessary operational and administrative costs, as well as responsive and cyclical maintenance.

Resolved:

- (1) That the recommendations were noted.

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