

COMMITTEE: COUNCIL

DATE: 28TH JANUARY, 2003

SUBJECT: HOUSING REVENUE ACCOUNT ESTIMATES AND
RENTS 2003-2004

REPORT BY: EXECUTIVE

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IMPLICATIONS:

LEGAL	✓	COMMUNITY SAFETY	✓
EQUALITIES	✓	ENVIRONMENT	✓
FINANCIAL	✓	CONSULTATIONS	
STAFFING		OTHER	

WARDS AFFECTED: ALL

PURPOSE

1. The purpose of this report is to refer to the Council the recommendations of the Executive in relation to the Housing Revenue Account Estimates and Rents 2003-2004.

RECOMMENDATION(S)

2. COUNCIL is recommended to approve:
 - (i) The Housing Revenue Account Budget for 2003-04 as set out at Appendix A to the report of the Director of Housing and Social Services (Ref: 8.1)
 - (ii) The “ £1.20 Option” as set out at the top of Appendix D to the report of the Director of Housing and Social Services and clarified in the supplementary paper circulated at the meeting as the basis for rent increases for 2003-04.
 - (iii) The introduction of a service charge of one ninth of the cost of the service for cleaning and caretaking.

- (iv) A garage rent increase of 10 pence per week.
- (v) That Homeless Persons Accommodation costs be frozen at this year's level.
- (vi) That the heating charges at Purley Centre be reduced to £5 per week for a one-bedroom flat and £8 per week for a three-bedroom flat.
- (vii) That the current charges made for electric storage heaters be deleted.
- (viii) That the rent increase and service charge for other non-Housing Revenue Account dwellings be based on the same principle as Housing Revenue Account dwellings detailed at (ii) and (iii) above.
- (ix) That rent levels for the Gypsy/Travellers Caravan site be frozen at this year's level.
- (x) That rent levels for the Stopsley Mobile Home Park be frozen at this year's level.
- (xi) That any revised rents and charges made under (ii) to (x) above be effective from 7th April 2003 and the appropriate notice be served to tenants.
- (xii) That the Director of Housing and Social Services be instructed to undertake a review of the apportionment of costs between the Housing Revenue Account and the Housing General Fund

REPORT

3. At its meeting held on 22nd January, 2003 the Executive considered the report of the Director of Housing and Social Services (circulated to all Members of the Council with the enclosures) regarding the Housing Revenue Account Estimates and rents 2003-2004.
4. Members were advised that the Government had introduced changes to the way in which the Council calculated its rents. The aims of the new system were:
 - Firstly to ensure that rents remained affordable,
 - To make rents fairer
 - To introduce a closer link between rents and qualities that tenants value
 - To remove differences in rent settings by Councils and by registered social landlords.
5. A supplementary paper circulated at the meeting setting out the implications of the recommended £1.20 rent increase option is attached at Appendix A to this report.

LEGAL IMPLICATIONS

6. The Council has a legal requirement to review the Housing Revenue Account and ensure that it does not go into deficit.

EQUALITIES IMPLICATIONS

7. In the implementation of any new rent structure and the implementation of service charges, the principles of fairness and equality of treatment of all tenants need full consideration.

FINANCIAL IMPLICATIONS

8. The financial implications are contained in the main body of the report of the Director of Housing and Social Services (Ref: 8.1) previously circulated to all Members of the Council.

APPENDIX

9. Appendix A: Implications of the recommended £1.20 rent increase option

LIST OF BACKGROUND PAPERS

LOCAL GOVERNMENT ACT 1972, SECTION 100D

13. Executive report ref: EX/1B/03/8.1