

CABINET (HOUSING) COMMITTEE**10 December 2012****Minute Extract****HOUSING REVENUE ACCOUNT – 2013/14 RENT SETTING AND BUDGET/BUSINESS PLAN OPTIONS**

(Report CAB2423(HSG) refers)

Councillor Tait declared a personal (but not prejudicial) interest in respect of this item, as he was a trustee of Winchester Mediation Service which the Council had an arrangement with in respect of tenants' financial affairs. Councillor Tait remained in the room and spoke and voted thereon.

The Committee noted that The Overview and Scrutiny Committee would also consider the Report at its meeting to be held on Monday 10 December 2012.

The Head of Housing Services detailed those areas where additional budgetary provision was required. Members referred to commitment for funding new posts to support tenants and help introduce changes to the allocations processes resultant from the Welfare Reform proposals. It was also explained that processes and programmes were being formulated to ensure that the additional investment of £50,000 for Health and Wellbeing was allocated appropriately towards assisting Council tenants.

The Committee regretted that the overall average rent increase of 4.2% was required and acknowledged that it was likely to impact in real terms on the already restricted budgets of tenants.

The Committee agreed to the following for the reasons set out above and outlined in the Report.

RECOMMENDED (TO COUNCIL):

1 THAT THE HEAD OF HOUSING SERVICES BE AUTHORISED TO IMPLEMENT THE HOUSING RENTS INCREASE FOR 2013/14 IN LINE WITH THE GOVERNMENT RENT RESTRUCTURING POLICY USED IN THE SELF-FINANCING SETTLEMENT, AS SET OUT IN SECTION 3 OF THE REPORT, RESULTING IN AN OVERALL AVERAGE INCREASE OF 4.2%.

2 THAT GARAGE RENTS BE INCREASED BY 2.6% IN LINE WITH THE INFLATION PROVISION INCLUDED IN THE INCREASE FOR DWELLING RENTS.

3 THAT ALL SERVICE CHARGES CONTINUE TO BE BASED ON ACTUAL COSTS INCURRED, BUT THAT COMBINED INCREASES FOR RENT AND SERVICE CHARGES FOR EXISTING TENANTS BE SUBJECT TO A MAXIMUM INCREASE OF 3.1% + £2.17 AND THE HEAD OF HOUSING SERVICES BE AUTHORISED TO IMPLEMENT THE CHANGES.

RESOLVED:

1. That the options for service enhancements and additional expenditure as detailed in paragraph 6 be supported and the preparation of a detailed HRA budget and business plan based on these proposals be approved.
2. That the assumptions used to prepare the draft business plan be noted.