

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2007

REPORT OF THE HEAD OF HOUSING AND FINANCIAL SERVICES MANAGER

This matter is the responsibility of Executive Councillor Garner

HOUSING REVENUE ACCOUNT, REVENUE ESTIMATES AND RENT LEVELS, DEANE HELPLINE AND DEANE BUILDING DLO ACCOUNT FOR THE 2007/2008 FINANCIAL YEAR

1. Executive Summary

- 1.1 This report outlines the proposed Housing Revenue Account (HRA) for the 2007/08 Financial Year. It also includes details relating to the new rent level, service charges and other housing related charges such as garage rents. Lastly, it provides information on the Deane Helpline Trading Account and Deane Building DLO Trading Account.
- 1.2 Where there are large variances from those budgets set for this current financial year and those being recommended for this forthcoming year, these have been explained in more detail within the narrative of this report.
- 1.3 Following the recent ballot on the future of the housing stock, Members will be aware that there is a gap between the funding needed to deliver the Decent Homes standard to the Council's housing stock and the funding available of £1.85m per year. This report (together with the Housing Capital Report) sets out how the service will deliver Decent Homes.

2. Purpose of the Report

- 2.1 To agree the detailed estimates and rent levels for the 2007/08 financial year for submission to Full Council. To demonstrate to Members proposals of how the funding gap of £1.85m will be found.

3. Housing Revenue Account 2007/08 to 2010/11

- 3.1 Attached to this report are the following appendices:
 - i) Appendix 1. Housing Revenue Account Summary, pre-savings
 - ii) Appendix 2. Narrative supporting the savings made to fund the Decent Homes capital programme.
 - iii) Appendix 3. Proposals for how the Capital Financing Shortfall can be met.
 - iv) Appendix 4. Proposed Housing Structure FOR INFORMATION.
 - v) Appendix 5. Proposed Revised Housing Revenue Account, including savings identified in Appendix 3
 - vi) Appendix 6. HRA Maintenance Budget

- vii) Appendix 7. HRA Management Budget
- viii) Appendix 8. HRA Management Special Budget
- ix) Appendix 9. HRA Special Expenses OAP Budget
- x) Appendix 10. Deane Helpline Trading Account
- xi) Appendix 11. Deane Building DLO Account Draft 2007/08 Budget

3.2 Rent Levels for 2007/08

As in the previous year, the Department for Communities and Local Government (DCLG) has set a cap on average rent increases of a maximum of no greater than 5%. This results in a reduction in the amount of rent which the Authority could charge tenants if the normal uncapped rent increases under rent restructuring were in place. This means that in effect the Council will be losing out on rental income as we are unable to recover this rent from the tenant. However, the DCLG has introduced a Rental Constraint Allowance within the subsidy system. This ensures that this loss of income is, in effect, removed from the subsidy payments that are made to DCLG. Under the formula it is recommended the weekly rent increase will be £2.71 per week or 4.99%. The average weekly rent (excluding service charges) will increase from £54.34 to £57.05. Members will be interested to note that without the cap the average increase in rents would be in excess of 6.5%. Details of the average rent increases for the last 5 years are set out below:

	<u>Average Rent Increase</u>	
2003/04	£1.78	3.89%
2004/05	£2.17	4.59%
2005/06	£2.25	4.55%
2006/07	£2.58	4.99%
2007/08	£2.71	4.99%

3.3 Service Charges for 2007/08

The present weekly charges and proposed charges for 2007/08 are set out below:

	<u>2006/07</u>	<u>2007/08</u>
Communal Area Service Charge	£0.43	£0.45
Grounds Maintenance	£0.55	£0.57
<u>Supporting People Service Charges (Draft):</u>		
Specialised (Extra Care) Sheltered Housing	£31.76	£33.06
Sheltered Housing	£9.00	£9.37
Hardwired Sheltered Housing	£3.20	£3.33

- 3.4 Overall service charges are proposed to increase by 4.1% (RPI+ 0.5%).

3.5 Supporting People

For 2007/08 it is anticipated that the income will be in the region of £400,000. It should be noted that the budget-setting timetable of the Supporting People commissioning body is later than that of this Council and so the level of funding has not yet been finalised. As a result negotiations with Somerset County Council are continuing at the time of writing this report. Should these negotiations lead to a variance in the expected income of the Council this will be reported to Members when known.

3.6 Garage Charges for 2007/08

It is proposed that there should be an increase above inflation this year, in order to increase revenue to the HRA and support the capital programme. An increase of 14.1% (10% above the increase applied to service charges) for both Council and private tenants is proposed, resulting in an increase of 53p per week for Council tenants and 60p per week for private tenants. This would lead to increased income of some £31k. The proposal would therefore give the following garage charges for 2007/08:

Council Tenants	£4.27 per week
Private Tenants and Owner Occupiers	£4.87 per week (+VAT)

3.7 Hire Charges for Sheltered Scheme Meeting Halls

The following charges are currently in place for 2006/07:

First Hour	£7.75
Each half hour thereafter	£3.10
6 hours plus	£40.00 maximum

For residents in a scheme and community organisations the total charge is £10.35

- 3.8 It is proposed this year that the overall increase for 2007/08 should mirror that applied to service charges of 4.1% (RPI plus 0.5%). This would produce the following charges:

First Hour	£8.10
Each half hour thereafter	£3.25
6 hours plus	£41.50 maximum

For residents in a scheme and community organisations the total charge is £10.75.

3.9 Hire Charges for Sheltered Scheme Guest Rooms

It is proposed this year that the increase should reflect the increase applied to service charges as recommended by the DCLG. Officers are also proposing to round the charges to the nearest 50p for ease of administration. As agreed previously, some flexibility will still be provided for those relatives or friends who are staying due to compassionate reasons. The table below shows both the present charges and those proposed for 2007/08:

<u>No. of Nights per Person</u>	<u>2006/07 Charge</u>	<u>2007/08 Charge</u>
1	£8.50	£9.00
2	£14.00	£14.50
3	£19.00	£20.00
4	£24.50	£25.50
5	£30.00	£31.00
6	£35.00	£36.50
7	£40.50	£42.00

3.10 Hostels

Members will recall that last year a 3.2% increase was applied. For 2007/08 it is recommended that a 4.1% increase be applied and for information the existing and new rent levels will be:

	2006/07 Rent (per day)	2007/08 Rent (per day)
40 Humphreys Road	6.49	6.76
1 Gay Street	6.49	6.76
Outer Circle		
113 and 113a (studios)	5.53	5.76
115 and 115a (3 bedroom)	7.19	7.49
Snedden Grove		
Unit 1 (2 bedroom)	6.49	6.76
Unit 2 (2 bedroom)	5.95	6.19
Unit 3 (2 bedroom)	5.95	6.19
Unit 4 (3 bedroom)	7.78	8.10
Unit 5 (3 bedroom)	7.78	8.10
Unit 6 (2 bedroom)	6.49	6.76
Winckworth Way		
Unit 1 (2 bedroom)	5.95	6.19
Unit 2 (2 bedroom)	5.95	6.19
Unit 3 (3 bedroom)	7.78	8.10
129 South Road		
Unit 1	6.49	6.76
Unit 2	5.95	6.19
Unit 3	5.80	6.04
Wheatley Crescent (4 studios)	5.53	5.76

4. **Main Expenditure Changes Relating to Appendix 5 - Resource Accounting**

4.1 Housing Subsidy

With the transfer of rent rebates from the HRA to the General Fund (GF) as required by the DCLG from the 1st April 2004, the Council will continue to be in a negative subsidy situation. This means that the Council will no longer be entitled to housing subsidy and will actually have to repay subsidy back to the Government. This repayment is estimated to be £4,611,250 for 2007/08. This is based on the Subsidy Determination for 2007/08 that was published by the DCLG in late December. Members may be interested to note that this is an increase of 11.9% (£452k) over the repayment for 2006/07 and includes the rental constraint allowance discussed in paragraph 3.2.

4.2 Rents

Members will notice that there is a proportionately larger increase in dwelling rents income between 2006/07 and 2007/08. This is due to the fact that there are 53 rent weeks in 2007/08.

4.3 Capital Charges

Members will notice that Capital Charges, which were charged into the Revenue Account and then subsequently reversed out, are not shown from 2007/08 onwards. This is due to changes in the accounting treatment and has no impact on the Revenue Account overall.

4.4 Transfer to Earmarked Reserve

Members will note that from 2007/08 there is a budgeted transfer to an earmarked reserve of £130k per year. This is to set aside money that may be required in the event of any unexpected maintenance works being required on the stock. In the event that this is not required the money will be returned to the working balance or re-directed to other areas of the revenue account.

4.5 Transfer from General Fund

Members will be aware that as the tenants recently voted against the transfer of the Council's housing stock to a Registered Social Landlord a proportion of the stock transfer project costs should be met by the General Fund. This amount of £290k represents the transfer from the General Fund in respect of these costs. Members should note that the figure included is an estimate made following advice from our advisors. Officers are currently seeking agreement with our auditors, and should this transfer be affected as a result of these discussions Members will be advised in due course.

4.6 Revenue Contribution to Capital

Members will note that the Revenue Contribution to Capital is around £1.5m for each of the four years from 2007/08 to 2010/11. This contribution is higher than we have been able to make in the past but this contribution is necessary for the Council to be able to fund the Decent Homes capital programme. The HRA is able to make this level

of contribution because of the savings that have been made within the service. Appendices 2 and 3 give more detail.

4.7 Surplus / Deficit

Based on the budget contained within this report, the expected surplus for 2007/08 is forecast to be in the region of £376k, after making a revenue contribution of £1.5m. However, increased contributions to fund the capital programme (as mentioned above) lead to deficits from 2008/09 to 2010/11 of an average of 467k per year.

4.8 Working Balance

Members will note that the working balance has decreased from £1.982m as it currently stands to £958k at the end of 2010/11. Members should note that whilst the level in 2010/11 drops below the current minimum level as previously agreed by the Council this is still more than the Audit Commission minimum Working Balance of £150 per unit. It is recommended therefore that movement toward the Audit Commission minimum balance be made over a four-year period.

5. **Main Expenditure Changes Relating to Appendix 6 – (HRA Maintenance)**

5.1 Gas Servicing

The increase in budget in this area from £920k to £980k reflects the continued increased legislative demands upon the work undertaken.

5.2 Specialist Works

There have been a number of additional areas of required expenditure identified during the 2007/08 budget setting process. These represent maintenance works that have been identified as being necessary over the next four years and include:

- Asbestos survey. Legislation in this area has increased, meaning that the Council needs to complete a full asbestos survey over the next four years. This is estimated to cost £157k in 2007/08.
- A number of heating systems within the council stock will need repairs/renewal over the coming years. The cost of this in 2007/08 is estimated to be around £125k.
- Smoke detector replacement. The Council has a programme of cleaning and maintaining smoke alarms within its stock. However over recent times these alarms have shown deterioration to the level that officers now feel it prudent to implement a replacement programme. This is forecast to cost around £63k in 2007/08.
- Fencing. Higher than first anticipated levels of fencing repairs have been identified as being necessary. The additional cost of these works is estimated at £52k in 2007/08.

5.3 **Main Expenditure Changes Relating to Appendices 7, 8 and 9 (HRA Supervision & Management)**

5.4 IT Enhancements

This £33k represents the cost of the annual licence for the new Integrated Housing Management System.

5.5 Other Budget Changes

Members will note that within the 2007/08 budgets there are further reductions from the current year. These are further detailed with additional narrative in Appendix 3.

6. **Deane Helpline Trading Account**

6.1 The Deane Helpline Trading Account is maintained separately from the HRA as a stand-alone enterprise. Details of the Account may be seen in Appendix 10.

6.2 It is proposed that we increase the charges by 4.1% across the board, which is in line with the increases applied to service charges under the direction of the Department of Communities and Local Government. It should be noted however that officers are seeking to renegotiate the contracts with private sector suppliers. If these negotiations are successful this will be reported through the budget monitoring process.

6.3 The proposed charges for 2007/08 are shown below:

	2006/07 Current (£)	2007/08 Proposed (£)	Increase (£)
Public Sector Subscribers	3.20	3.33	0.13 (4.1%)
Private Sector Subscribers	3.20	3.33	0.13 (4.1%)

6.4 At the beginning of 2006/07 a deficit of £47,350 was forecast. Budget monitoring has identified that this will increase to a deficit of £83,260, mainly reflecting the staffing structure needed to maintain the industry-standard ASAP accreditation. This means that the forecast working balance at the end of 2006/07 is now £21,770.

6.5 The increased staffing costs involved in maintaining the accreditation have been incorporated into the 2007/08 budgets. This forecasts a deficit for the year of £19,970 leaving a projected working balance of £1,800 at the end of 2007/08. The budgets also include a contribution to the General Fund of £30,000.

6.6 It should be noted by members that having achieved the ASAP accreditation the Helpline is now in a very good position to bid for new private sector contracts. It is anticipated that the Helpline could run these with a minimal increase to costs. Members should be made

aware that the Helpline is actively seeking, and has recently bid for, new contracts. Members should also note that the 2007/08 budgets include an increase in printing and stationary budgets in order that the Helpline can promote itself further.

7. Deane Building DLO

- 7.1 Forward estimates have been prepared for the Building Maintenance arm of Deane DLO and details of which may be seen in Appendix 11. The estimated expenditure for 2007/08 is forecast to be £4.27m. The DLO Managers will charge work to clients with the aim of making a modest return on this expenditure and the budget at this stage predicts this surplus to be around £79k. Members should note that these budgets are still draft at this time, and that these will be updated once the housing structure has been implemented. An update will be given as part of a restructure report in due course.

8 Housing Review Panel and Review Board Comments

- 8.1 The Housing Review Panel considered the 2007/08 budget report at their meeting on 23 January. The panel proposed no formal amendments to the report but did ask that officers seek to mitigate the removal of the grant to Neighbourhood Care of £11k by finding further equivalent savings elsewhere in the HRA. Officers are investigating this and a verbal update will be given at the meeting.

- 8.2 The Review Board considered the report at their meeting on 25 January. The Board supported the Housing Review Panel's suggestion that the Neighbourhood Care grant be reinstated and recommended that officer's seek to identify funding within the HRA to support this. Officers have agreed to review this and Members will be updated on this throughout the normal budget monitoring process. Members also commented on the increased staffing costs within the Deane Helpline and the effect that this has had on the Helpline's working balance.

9 Recommendation

- 9.1 That the Executive recommends the Housing Revenue Account budget proposals for 2007/08 to Full Council for their consideration

Contact Officers: Malcolm Western, Head of Housing
Email: m.western@tauntondeane.gov.uk
Tel: 01823 356441

Paul Carter, Financial Services Manager
Email: p.carter@tauntondeane.gov.uk
Tel: 01823 356418

Background Papers: Housing Review Panel 23 January 2007 and Review Board 25th January 2007 Housing Revenue Account, Revenue Estimates and Rent Levels, Deane Helpline and Deane DLO Account for 2007/08.

HOUSING REVENUE ACCOUNT RESOURCE ACCOUNTING

Executive Councillor - Cllr Garner
Responsible Officer - Malcolm Western

Description	Original Estimate 2006/07 £	Current Estimate £	Forward Estimate 2007/08 £	Indicative Budget 2008/09	Indicative Budget 2009/10	Indicative Budget 2010/11
INCOME						
Dwelling Rents	17,377,170	17,377,170	18,457,750	18,981,380	19,841,360	20,756,980
Non Dwelling Rents	421,500	421,500	455,790	464,930	474,350	484,030
Charges for services/facilities	358,990	358,990	411,090	423,420	436,120	449,210
Contributions towards expenditure	214,900	214,900	220,500	229,560	236,570	243,580
Government Subsidy	- 4,297,840	- 4,120,840	- 4,611,250	- 5,161,530	- 5,602,420	- 6,075,050
Government Subsidy-Housing Defects Act	29,780	29,780	4,890	-	-	-
Supporting People Income	400,000	400,000	400,000	400,000	400,000	400,000
TOTAL INCOME	14,504,500	14,681,500	15,338,770	15,337,760	15,785,980	16,258,750
EXPENDITURE						
Management	4,310,870	4,290,870	4,602,750	4,797,640	5,001,400	5,214,440
Maintenance	5,001,520	5,045,520	5,854,400	6,083,680	6,357,440	6,643,530
Rent Rebates	-	-	-	-	-	-
Rent Rebates-Contribution to general fund	-	-	-	-	-	-
Increase in provision for bad debts	50,000	50,000	-	-	-	-
Capital Charges-Interest	12,972,400	12,972,400	-	-	-	-
Capital Charges-Depreciation	3,514,310	3,514,310	3,591,340	3,626,380	3,702,400	3,782,460
Debt Management Expenses	17,180	17,180	20,000	18,050	18,500	18,960
TOTAL EXPENDITURE	25,866,280	25,890,280	14,068,490	14,525,750	15,079,740	15,659,390
NET COST OF SERVICES	11,361,780	11,208,780	- 1,270,280	- 812,010	- 706,240	- 599,360
Capital Charges-Interest	- 12,972,400	- 12,972,400	-	-	-	-
Loan Charges-Interest	843,110	843,110	810,000	810,000	810,000	810,000
Interest Receivable	- 70,180	- 70,180	- 60,000	- 55,000	- 55,000	- 55,000
NET OPERATING EXPENDITURE	- 837,690	- 990,690	- 520,280	- 57,010	48,760	155,640
APPROPRIATIONS						
Transfer Stock Options Reserve	40,000	220,000	-	-	-	-
Transfer to Earmarked Reserve	-	-	130,000	130,000	130,000	130,000
Transfer From General Fund	-	-	- 290,000	-	-	-
Revenue Contributions To Capital	797,690	797,690	144,270	150,000	150,000	172,500
(SURPLUS)/DEFICIT	-	27,000	- 536,010	222,990	328,760	458,140
FUND BALANCE						
Balance b/f 1 April	1,535,900	2,009,380	1,982,380	2,518,390	2,295,400	1,966,640
Net Expenditure in 2005/06					-	-
Net Expenditure in 2006/07		- 27,000			-	-
Net Expenditure in Year			536,010	- 222,990	- 328,760	- 458,140
Balance c/f 31st March	1,535,900	1,982,380	2,518,390	2,295,400	1,966,640	1,508,500

PRIOR TO PROPOSED SAVINGS

EXEC – 7TH FEBRUARY 2007

REPORT OF THE HEAD OF HOUSING

MEETING THE HRA CAPITAL FINANCIAL BUDGET GAP

(This matter is the responsibility of Executive Councillor G Garner)

Introduction

Members will remember that in a report to the Housing Review Panel on 21 June 2006, officers explained there would be a shortfall in each capital financing budget from 2007 – 2010 (inclusive) of £1.85m pa. We also detailed the ways in which this gap could be closed.

On 4 January Housing Managers, Jeremy Thornberry, Finance and Human Resources staff met to make firm recommendations to close the budget gap following the ‘No’ vote by tenants.

The previous report had outlined the way forward and this guided us through the budgeting process.

We looked at everything under three broad headings:

- 1) Alterations to the ‘decent homes’ work
- 2) Reductions in services
- 3) Staffing

We were also mindful of the wish of councillors that the impact on tenants and staff was minimised.

We were able through various changes to reduce the cost of the ‘decent homes’ standard work by £516,000 pa. This included replacing proposed composite doors with the usual wooden ones; by recognising that flats with communal halls didn’t need replacement doors as often as other external doors and by replacing some kitchen improvements with bathrooms in appropriate circumstances. This compares with estimations reported to Executive in June 2006 of a saving of £460,000 being necessary in this area.

As far as services are concerned, we were able to make the following reductions:

- We recommend stopping annual grants to Mediation Somerset and Neighbourhood Care saving £31,500.
- We would change the external painting programme from 5 to 8 yearly. This has increased by one year from the earlier report as meetings between officers and the paint firms have convinced us that this is really feasible thanks to improvements in paint manufacture. This saves £250,000 per annum.

- All new tenants will be charged the formula rent at the commencement of the tenancy. This increases income by around £80,000 per annum.
- We recommend reducing the relets (decoration/maintenance) budget by £142,000.
- Additionally we will reduce contingency budgets by £130,000 pa, increase the revenue contribution to capital by £130,000 pa and increase charges for work undertaken by £19,000 pa.

We have also carefully considered the structure of the Housing Service. As suggested in June, we have recommended cuts in the management and support roles.

We have reduced the management team of the Head and five Service Unit Managers to three SUMs, one of whom should be senior to the other two. Further cuts have been made in Tenancy Relations and Asset Management. See attached Appendix 4 for detail of the proposed housing structure.

In total eight posts have been shed through natural wastage, voluntary redundancy and reorganisation. All staff have been informed of their situation. Additionally six painters are taking voluntary redundancy.

Some members will be pleased to note that this reorganisation has allowed us to reinstate the post of Energy Efficiency Officer from 1 May 07, which will give the Council proper focus to this important area of work.

It is estimated at this time that the savings on these posts equate to £552,000 per annum. Members will note that a full report on the restructure of the housing service including detail of the new structure and the cost of the restructure will follow in due course. No allowance for redundancies or early retirement payments which may arise from the restructure have been built into this report.

In total this means that the required £1.85m pa to meet the 'decent homes' budget deficit has been met. Tenants and staff have been consulted as required.

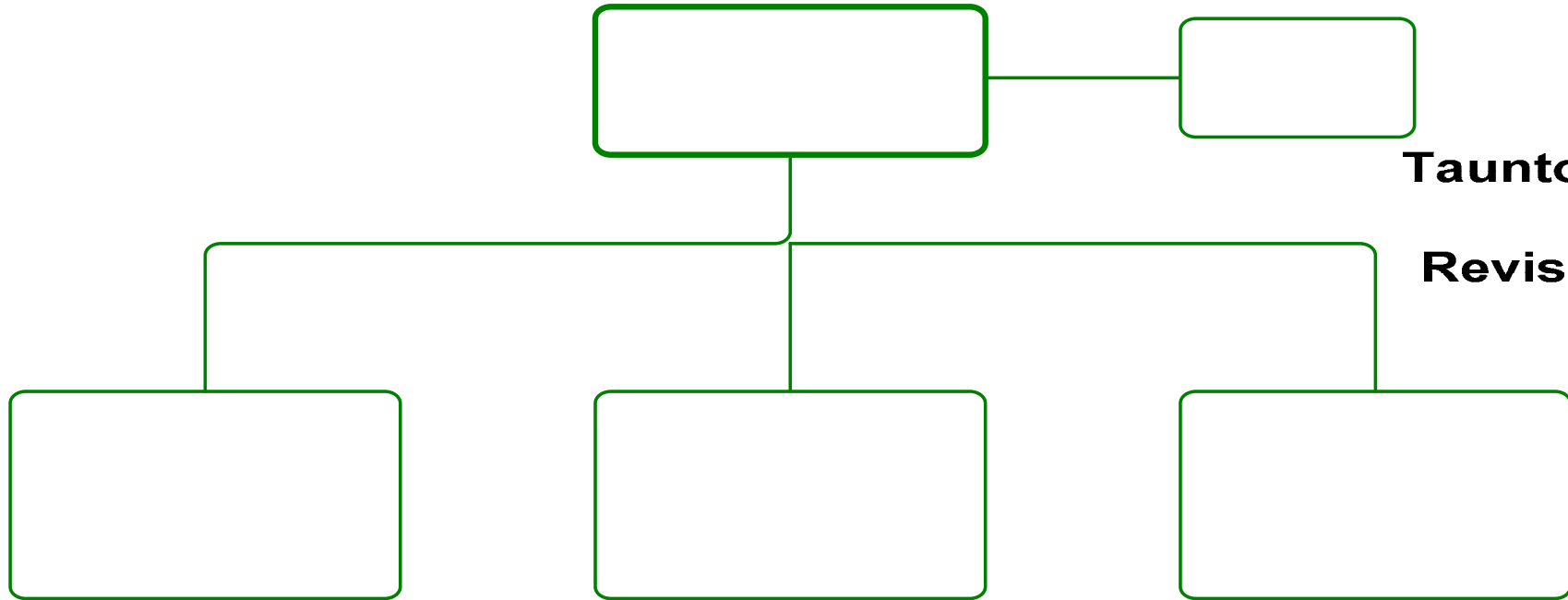
Contact Officer: Malcolm Western, Head of Housing
Tel: 01823 356441
Email: m.western@tauntodneane.gov.uk

MEETING THE HRA CAPITAL FINANCING BUDGET GAP

MANAGERS PROPOSALS

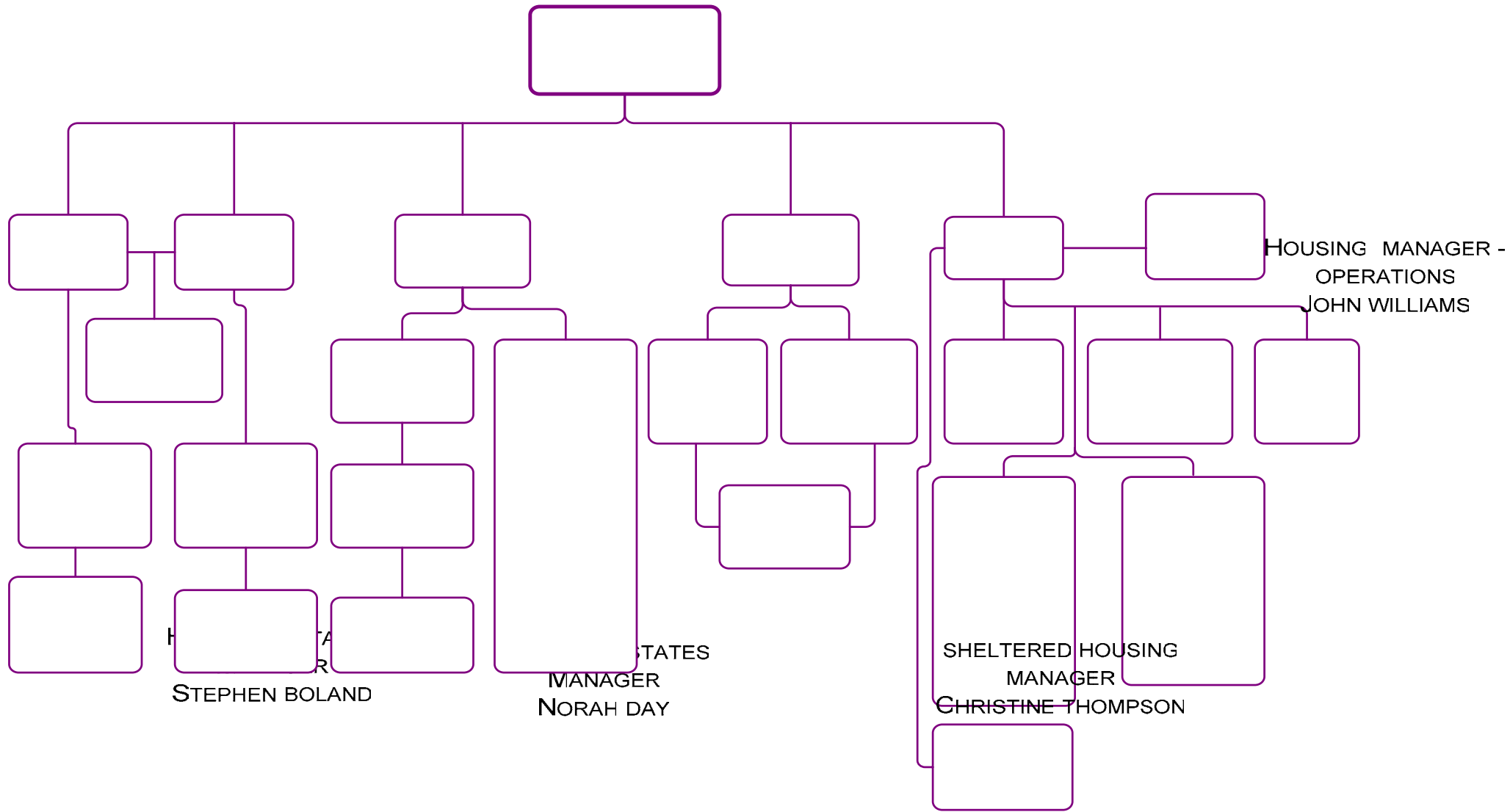
	£'s p.a.
1 Removal of Contribution to Mediation Somerset and Neighbourhood Care	31,500
2 Change in External Painting Cycle from 5 to 8 years	250,000
3 All new tenants to be charged with formula rent at commencement	80,000
4 Removal of Contingency Budgets	130,000
5 Re-alignment and re-prioritisation of Decent Homes Work	516,000
6 Reduction in Re-lets Expenditure	141,640
7 Increasing Charges for Works Undertaken	19,000
8 Re-structure of Housing Service	551,860
9 Further Revenue Contribution to Capital Programme	130,000
TOTAL IDENTIFIED SAVINGS	<u>1,850,000</u>

PROPOSED MANAGEMENT STRUCTURE



**Taunton Deane Borough Council
Housing Services
Revised Management Structure**

**HEAD OF HOUSING SERVICES
MALCOLM WESLEY
(until 31.07.2023)**



Housing Manager
STEPHEN BOLAND

STATES
MANAGER
NORAH DAY

SHELTERED HOUSING
MANAGER
CHRISTINE THOMPSON

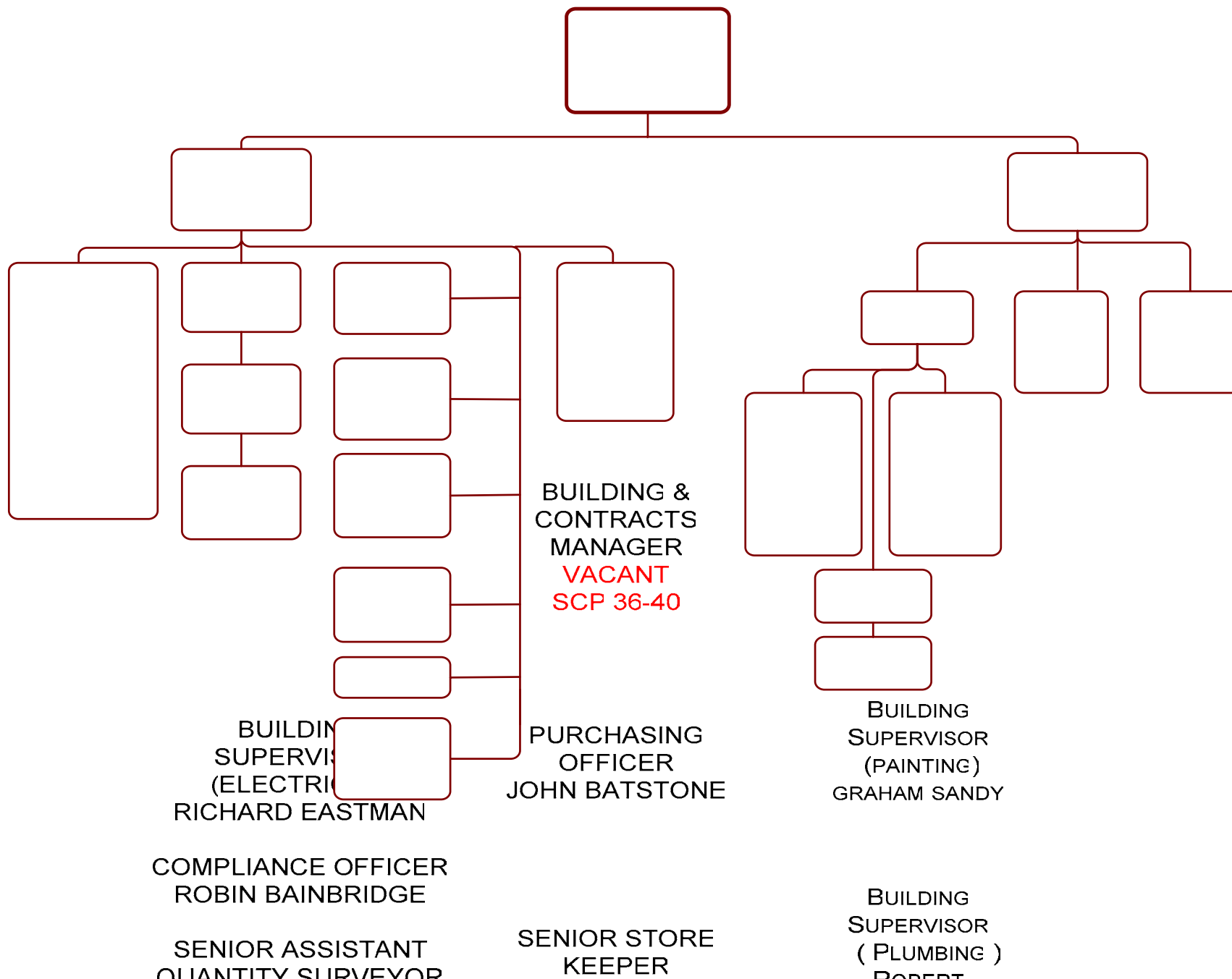
HOUSING MANAGER -
OPERATIONS
JOHN WILLIAMS

COMMUNITIES OFFICER
VACANT
IND SCP 31-35

EXTRA CARE SCHEME
MANAGERS
SHARON HARVEY
PAM KNIGHT

SHELTERED HOUSING
OFFICERS

RENTS
VOID
SUE
RAC



BUILDING &
CONTRACTS
MANAGER
VACANT
SCP 36-40

PURCHASING
OFFICER
JOHN BATSTONE

BUILDING
SUPERVISOR
(ELECTRICAL)
RICHARD EASTMAN

COMPLIANCE OFFICER
ROBIN BAINBRIDGE

SENIOR ASSISTANT
QUANTITY SURVEYOR

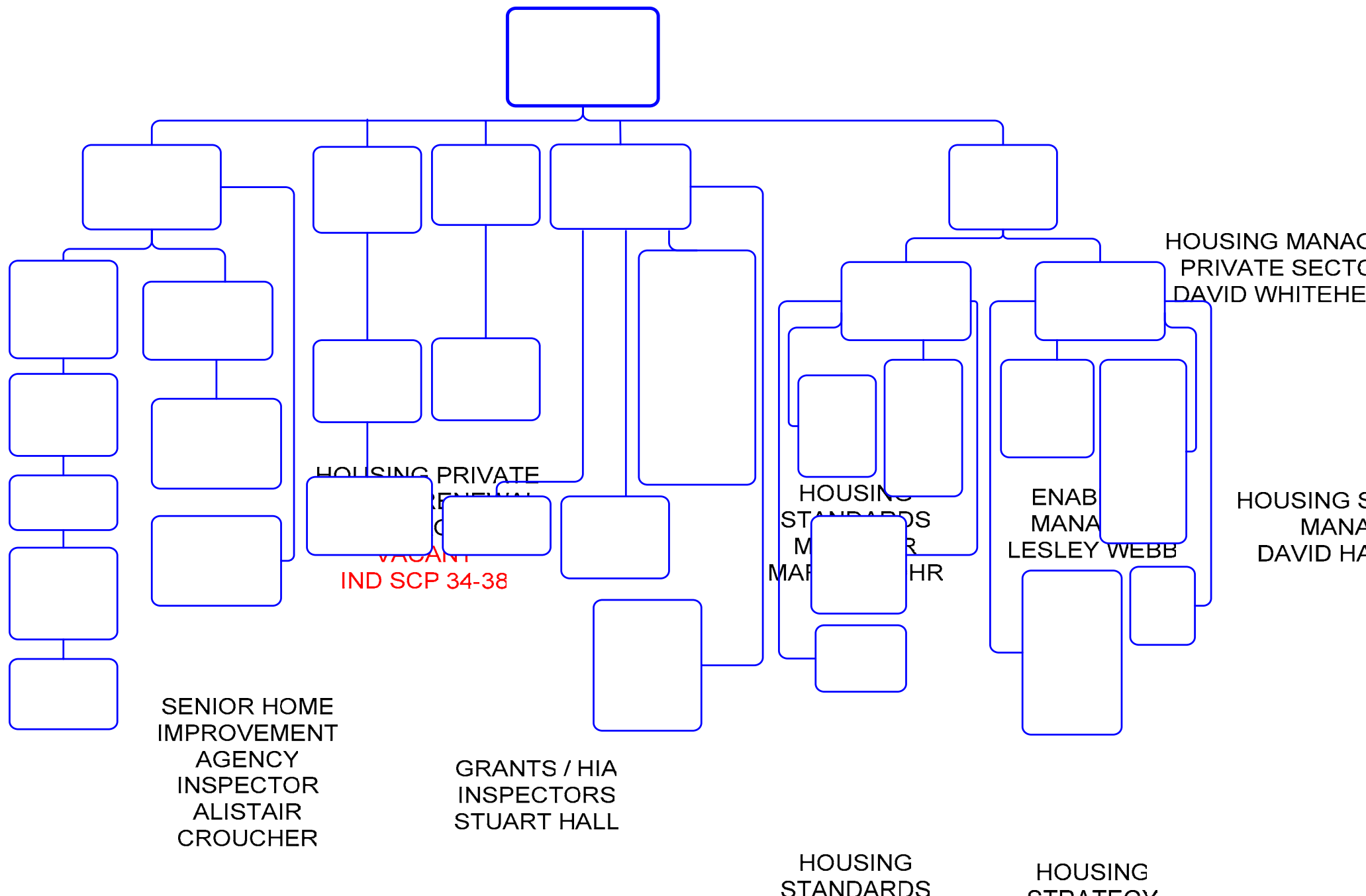
SENIOR STORE
KEEPER

BUILDING
SUPERVISOR
(PAINTING)
GRAHAM SANDY

BUILDING
SUPERVISOR
(PLUMBING)
ROBERT

HOUSING MANAGER
PROPERTY
PHIL WEBSTER

CLERKS OF
WORKS
RAY WILLIAMS
ROY JONES
ROMUALDO
SAPIGAO



HOUSING REVENUE ACCOUNT RESOURCE ACCOUNTING

Executive Councillor - Cllr Garner
Responsible Officer - Malcolm Western

Description	Original Estimate 2006/07 £	Current Estimate £	Forward Estimate 2007/08 £	Indicative Budget 2008/09	Indicative Budget 2009/10	Indicative Budget 2010/11
INCOME						
Dwelling Rents	17,377,170	17,377,170	18,537,750	19,061,380	19,921,360	20,836,980
Non Dwelling Rents	421,500	421,500	455,790	464,930	474,350	484,030
Charges for services/facilities	358,990	358,990	430,090	442,420	455,120	468,210
Contributions towards expenditure	214,900	214,900	220,500	229,560	236,570	243,580
Government Subsidy	- 4,297,840	- 4,120,840	- 4,611,250	- 5,161,530	- 5,602,420	- 6,075,050
Government Subsidy-Housing Defects Act	29,780	29,780	4,890	-	-	-
Supporting People Income	400,000	400,000	400,000	400,000	400,000	400,000
TOTAL INCOME	14,504,500	14,681,500	15,437,770	15,436,760	15,884,980	16,357,750
EXPENDITURE						
Management	4,310,870	4,290,870	4,046,380	4,084,280	4,288,040	4,501,080
Maintenance	5,001,520	5,045,520	5,305,760	5,692,040	5,965,800	6,251,890
Rent Rebates	-	-	-	-	-	-
Rent Rebates-Contribution to general fund	-	-	-	-	-	-
Increase in provision for bad debts	50,000	50,000	-	-	-	-
Capital Charges-Interest	12,972,400	12,972,400	-	-	-	-
Capital Charges-Depreciation	3,514,310	3,514,310	3,591,340	3,626,380	3,702,400	3,782,460
Debt Management Expenses	17,180	17,180	20,000	18,050	18,500	18,960
TOTAL EXPENDITURE	25,866,280	25,890,280	12,963,480	13,420,750	13,974,740	14,554,390
NET COST OF SERVICES	11,361,780	11,208,780	- 2,474,290	- 2,016,010	- 1,910,240	- 1,803,360
Capital Charges-Interest	- 12,972,400	- 12,972,400	-	-	-	-
Loan Charges-Interest	843,110	843,110	810,000	810,000	810,000	810,000
Interest Receivable	- 70,180	- 70,180	- 60,000	- 55,000	- 55,000	- 55,000
NET OPERATING EXPENDITURE	- 837,690	- 990,690	- 1,724,290	- 1,261,010	- 1,155,240	- 1,048,360
APPROPRIATIONS						
Transfer Stock Options Reserve	40,000	220,000	-	-	-	-
Transfer to Earmarked Reserve	-	-	130,000	130,000	130,000	130,000
Transfer From General Fund	-	-	290,000	-	-	-
Revenue Contributions To Capital	797,690	797,690	1,508,440	1,484,000	1,484,000	1,506,500
(SURPLUS)/DEFICIT	-	27,000	- 375,850	352,990	458,760	588,140
FUND BALANCE						
Balance b/f 1 April	1,535,900	2,009,380	1,982,380	2,358,230	2,005,240	1,546,480
Net Expenditure in 2005/06					-	-
Net Expenditure in 2006/07		- 27,000			-	-
Net Expenditure in Year			375,850	- 352,990	- 458,760	- 588,140
Balance c/f 31st March	1,535,900	1,982,380	2,358,230	2,005,240	1,546,480	958,340

AFTER PROPOSED SAVINGS

HOUSING REVENUE ACCOUNT

Repairs and Maintenance

Main Codes-A1 to A16

Executive Councillor - Cllr Garner
Responsible Officer - Martyn Hembrow

Sub Code	Description	Original Estimate 2006/2007 £	Current Estimate 2006/2007 £	Forward Estimate 2007/2008 £
	EXPENDITURE			
A01	<u>R & M Reconditions on lettings</u>			
H005	Re-lets - Painting	378,000	378,000	332,760
H006	Re-lets - Maintenance	482,000	482,000	424,300
A03	<u>R & M General Maintenance</u>			
H010	Structure	391,400	391,400	452,250
H015	Structural Finishings and Fixings	459,380	459,380	446,000
H020	Water and Sanitary Services	345,050	345,050	335,000
H025	Other Domestic Services	4,640	4,640	8,000
H030	External Site Works	61,800	61,800	60,000
H035	Miscellaneous	68,500	68,500	67,500
H040	Damp and Condensation	38,110	38,110	37,000
H060	Vandalism	61,800	61,800	60,000
H065	Re-instatement of Aids & Adaptions	1,650	1,650	1,600
H070	Enhancement of DAP Accommodations	3,090	3,090	3,000
A04	<u>R & M Electrical</u>			
H045 000	Electrical Repairs	273,980	273,980	270,000
H045 001	Repairs to Storage Heaters	-	-	12,540
A05	<u>R & M Spec. Rep. Gas Servicing</u>			
H090	Gas Maintenance	875,500	919,500	980,000
A06	<u>R & M Spec. Rep. Roofing</u>			
H075	Felt Roofing	20,600	20,600	20,000
A07	<u>R & M Spec. Rep. Windows</u>			
H080	Metal Windows and Doors	77,250	77,250	75,000
A08	<u>R & M Spec. Rep. Fencing</u>			
H085	Fencing	51,500	51,500	40,000
A09	<u>R & M Underground Drainage</u>			
H031	Misc Expenditure	109,180	109,180	86,000
A10	<u>R & M Garages</u>			
H050 000	R & M Garage Buildings	38,110	38,110	47,750
A11	<u>R & M Shops</u>			
H055 111	R & M - Shops and Commercial Premises	16,480	16,480	17,220
A12	<u>Planned Maintenance/Ext Painting</u>			
	<u>PPM 2006/07</u>			
H205	42 PMA	44,140	44,140	44,140
	<u>PPM 2007/08</u>			
H210	43 PPM	803,400	803,400	620,900
A13	<u>Specialist Works</u>			
	Asbestos Survey	-	-	156,750
	Heating Renewal	-	-	125,400
	DDA	-	-	20,900
	Door Entry System Maintenance	-	-	5,230
	Smoke Detector Replacement	-	-	62,700
	Water Main Failure Replacement	-	-	5,230
	Fencing	-	-	52,250
	Planned Water Mains Replacement	-	-	31,350
H205	Contingency Sum	85,000	85,000	85,000
A14	<u>R & M Leasehold Flats</u>			
H310	Re-chargeable Works on Sold Flats	-	-	-
A15	<u>R & M Miscellaneous & Support</u>			
H300	Emergency Call Out	61,000	61,000	63,750
S652	Private Consultants		-	
	<u>Internal Recharges</u>	249,960	249,960	256,240
	Total Expenditure	5,001,520	5,045,520	5,305,760
	INCOME			
C201	Fees & Charges	-	-	-
C500	Miscellaneous Repairs	40,000	40,000	40,000
C501	Other Income	-	-	-
	Total Income	40,000	40,000	40,000
	Net Expenditure	4,961,520	5,005,520	5,265,760

HOUSING REVENUE ACCOUNT
Management and supervisory Expenditure
General Expenses

Executive Councillor - Cllr Garner
Responsible Officer - Malcolm Western

Sub Code	Description	Original Estimate 2006/2007 £	Current Estimate 2006/2007 £	Forward Estimate 2007/2008 £
	EXPENDITURE			
	Employee Related Expenses			
E300	Training	10,000	10,000	10,000
E320	Conference Expenses	10,000	10,000	10,000
E600	Employee Related Insurance	44,310	44,310	-
	Capital Financing			
F200	Interest repayments	17,180	17,180	
	Premises Related Expenses			
P200	Rent	17,250	17,250	17,800
P210	Rates	5,940	5,940	6,530
P300	Electricity	32,100	32,100	44,940
P500	Insurances	117,990	117,990	121,530
	Hostels			
P010	Repairs Winckworth Way	27,000	27,000	28,220
P200 001	Rent	2,610	2,610	2,690
P410	Cleaning Winkworth Way	900	900	
	Internal Recharges	2,493,940	2,493,940	2,289,460
	Supplies & Services			
S010	Printing and Stationery	17,250	17,250	17,250
S022	Photocopying	-	-	
S023	Central photocopy recharge	190	190	230
S105	Central telephone recharge	1,130	1,130	470
S305	Equipment	7,250	7,250	7,250
S510	Insurance	950	950	980
S520	Advertising	2,680	2,680	2,680
S528	Tenant's Forum	22,000	22,000	22,000
S530	Subscriptions	2,500	2,500	2,500
S530 001	Mediation Contribution	16,580	16,580	-
S545	Best Value Initiatives	110,000	110,000	-
S545 003	I. T. Enhancements	-	-	33,230
S600	Giro Charge	30,000	30,000	30,000
S620	Audit Fee	5,200	5,200	5,200
S653	Removal Expenses	35,000	35,000	35,000
S990	Miscellaneous	2,000	2,000	2,000
S990 003	Management Contingency Budget	35,000	35,000	15,000
S990 006	Reorganisation of filing system	35,000	35,000	35,000
S999	HIP Presentation	1,500	1,500	1,500
	Total Expenditure	3,103,450	3,103,450	2,741,460
	INCOME			
C200	Fees and Charges	25,370	25,370	26,280
C201	Fees and Charges (non vat)	-	-	-
C301	Rents and Wayleaves	20,760	20,760	20,760
C400	Service Charges	-	-	-
C501	Other Miscellaneous Income	-	-	-
C501002	Insurance Premiums Recharged	-	-	-
C561	Other Commission	-	-	-
	Total Income	46,130	46,130	47,040
	Net Expenditure	3,057,320	3,057,320	2,694,420

HOUSING REVENUE ACCOUNT

Management and Supervisory Expenditure Special Expenses

Main Code - A21

Executive Councillor - Cllr Garner
Responsible Officer - Malcolm Western

Sub Code	Description	Original Estimate 2006/2007 £	Current Estimate 2006/2007 £	Forward Estimate 2007/2008 £
	EXPENDITURE			
	Premises Related Expenses			
P030	Maintenance of lift at Kilkenny	2,080	2,080	2,170
	Sewage Plants			
P122	Maintenance-Routine	71,140	71,140	79,790
P123	Estate Roads Maintenance	38,100	38,100	39,810
P300	Electricity	11,100	11,100	15,540
P310	Water/NRA	1,910	1,910	2,200
P311	Housing Estates - Non-Routine	20,350	20,350	21,270
P123	Estate Roads Maintenance	-	-	-
P410	Cleaning windows - Communal	6,420	6,420	6,740
P410 001	Cleaning Communal Areas	4,490	4,490	4,710
	Maintenance of Grass Areas and Trees			
P100	Housing Estates - General	317,720	317,720	333,610
	Outside Lighting			
P170 001	Maintenance - stair lighting	18,720	18,720	19,660
P170 003	Maintenance -estate lighting	3,640	3,640	3,820
P300 100	Energy Consumed	11,130	11,130	15,580
	Internal Recharges	44,040	44,040	56,910
	Supplies and Services			
S547	Special Estate Projects	32,000	32,000	17,080
S548	Risk Management Inspections	8,700	8,700	8,700
S549	Anti Social Behaviour Initiatives	12,000	12,000	12,000
S665	Clearing Streams and Waterways	20,840	20,840	20,840
S665 001	Clearing Rubbish from estates	38,170	38,170	38,170
S665 002	Clearing Clinical Waste	1,310	1,310	1,310
	Total Expenditure	663,860	663,860	699,910
	INCOME			
C400	Service Charges	-	-	-
C201	Fees & Charges Non VAT	-	-	-
C019	Fees & Charges	18,050	18,050	18,700
C501	Other income non VAT	-	-	-
	Total Income	18,050	18,050	18,700
	Net Expenditure	645,810	645,810	681,210

HOUSING REVENUE ACCOUNT
Management and supervisory Expenditure
Special Expenses O.A.P.

Main Code - A22

Executive Councillor - Cllr Garner
Responsible Officer - Pat Potter

Sub Code	Description	Original Estimate 2006/2007 £	Current Estimate 2006/2007 £	Forward Estimate 2007/2008 £
	EXPENDITURE			
	<u>Employee Related Expenses</u>			
E001 001	Salaries	268,840	268,840	282,430
E002	Overtime	20,000	20,000	20,000
E004	Superannuation	32,580	32,580	36,870
E005	Employers NI	19,810	19,810	22,580
E011 002	Additional Connections	3,000	3,000	-
E200	Car leasing	1,300	1,300	1,980
E201	NI on leased cars	200	200	200
E202	Other NI contributions	20	20	20
E220	Private Health Insurance	190	190	190
E300	Training	12,000	12,000	12,000
E320	Conference expenses	1,000	1,000	-
E415	Criminal Records Bureau	300	300	300
	<u>Premises Related Expenses</u>			
P200	Rent on Offices	-	-	5,000
P210	Rates - Meeting Halls/Guest Apartments	14,000	14,000	15,400
P300	Electricity - Meeting Halls	36,710	36,710	51,390
P410	Cleaning and cleaning materials	15,510	15,510	16,290
P320	Rent Broomfield Road	-	-	-
	<u>Internal Recharges</u>	60,600	60,600	54,560
	<u>Supplies and Services</u>			
S010	Printing & Stationery	2,100	2,100	2,100
S022	Photocopying	200	200	200
S023	Central Photocopying	-	-	-
S100	Telephone Charges	13,000	13,000	6,500
S120	Mobile Pagers	5,000	5,000	7,000
S305	Furniture & Equipment - Meeting Halls	15,000	15,000	15,000
S305 001	Maintenance & Equipment - Kilkenny Lodge	6,000	6,000	6,000
S990	Miscellaneous	8,200	8,200	24,000
	<u>Transport Related Expenses</u>			
T900	Wardens	25,000	25,000	25,000
	Total Expenditure	560,560	560,560	605,010
	INCOME			
C019	Fees & Charges	17,850	17,850	18,490
C400	Electricity - Meeting Halls	20,100	20,100	20,820
C501	Wardens - Miscellaneous Income	20	20	20
C568	Lease car - Employee Contributions	120	120	120
	Total Income	38,090	38,090	39,450
	Net Expenditure	522,470	522,470	565,560

**HOUSING REVENUE ACCOUNT
Deane Helpline Trading Account**

Main Code - A30

Executive Councillor - Cllr Garner
Responsible Officer - Pat Potter

Sub Code	Description	Original Estimate 2006/2007 £	Current Estimate 2006/2007 £	Forward Estimate 2007/2008 £
	EXPENDITURE			
	Employee Related Expenses			
E001 001	Salaries	403,960	460,290	494,720
E002	Overtime	-	-	-
E003	Other Payments	21,560	21,560	-
E004	Superannuation	53,040	60,060	62,410
E005	Employers NI	27,610	31,260	34,120
E010 001	Control Centre Salaries	-	-	-
E010 002	Senior Warden's salaries	-	-	-
E011	Control Centre Wages	-	-	-
E011 001	Wardens Wages	-	-	-
E200	Leased cars	1,950	1,950	-
E201	NI on leased cars	310	310	-
E202	Other NI contributions	40	40	40
E220	Private Health Insurance	280	280	-
E300	Training	15,000	5,000	5,000
E320	Conferences	3,000	3,000	1,500
E410	Advertising for Staff	4,000	4,000	2,000
E415	Criminal Records Bureau	-	-	200
	Capital Financing			
F400	Revenue Contribution to Capital	-	-	-
F200	Interest Repayments	-	-	-
	Premises Related Expenses			
P011	R & M Maintenance	-	-	-
P140	Maintenance	53,460	43,460	38,460
P200	Rent & Energy - 26 Kilkenny Court	6,000	6,000	8,400
P215	Council Tax	-	-	-
P300	Energy	-	-	-
P310	Water / Sewerage	2,000	2,000	2,300
P410	Contract Cleaners	100	100	110
	Internal Recharges	91,620	91,620	58,160
	Supplies & Services			
S010	Printing & Stationery	3,000	3,000	6,000
S022	Photocopying	250	250	250
S023	Central Photocopying	-	-	-
S100	Telephone	17,000	17,000	17,000
S105	Central Telephones	1,010	1,010	990
S120	Mobile Phone	1,500	1,500	1,500
S305	Equipment	12,000	12,000	6,000
S314	Uniforms For Staff	1,500	1,500	1,500
S522	Publicity	5,000	5,000	5,000
S635 001	Eye Tests	200	200	200
S990	Miscellaneous	2,000	2,000	2,000
S990002	Contingency	-	-	-
S652	Consultancy Accreditation	-	-	-
S900	Contribution to Reserves	36,000	36,000	30,000
	Transport Related Expenses			
T900	Travelling	23,000	23,000	23,000
	Total Expenditure	786,390	833,390	800,860
	INCOME			
C200	Private Sector Contract Work	206,810	209,910	218,520
C201	Charges to Subscribers - Private Sector	225,680	229,070	238,460
C202	Charges to Subscribers - Public Sector	296,970	301,420	313,780
C500	Miscellaneous Income	5,000	5,080	5,290
C501	Other Income (no VAT)	-	-	-
C568	Lease cars - Employee Contributions	100	100	100
C924	Transfer from General Fund - Interest on Working Balance	4,480	4,550	4,740
	Total Income	739,040	750,130	780,890
	Net Expenditure	47,350	83,260	19,970
	Balance b/f - 1 April	105,030	105,030	21,770
	Net Expenditure	(47,350)	(83,260)	(19,970)
	Balance c/f - 31 March	57,680	21,770	1,800

DLO
Building Maintenance

Executive Councillor - Cllr Garner
Responsible Officer - Martyn Hembrow

Main Code: M30

Sub Code	Description	Original Estimate 2006/2007 £	Forward Estimate 2007/2008 £	Comments
	EXPENDITURE			
	Employee Related Expenses			
E001	Salary	1,344,000	1,190,660	
E002	Overtime	91,700	91,700	
E003	Other Payments	1,500	1,500	
E004	Superannuation	185,500	175,030	
E005	National Insurance	88,000	75,550	
E300	General Training	600	600	
E145	Employment Agencies	171,700	171,700	
E410	Advertising for Staff	1,800	1,800	
E530	Appeal Costs	0	0	
E520	Redundancy Payments	9,800	9,800	
E600	3rd party & Employee Liability Insurance	0	0	
	Capital Financing			
F010	Capital Charges	75,600	75,600	
	Premises Related Costs			
P011	R&M Buildings Non Routine	500	500	
P530	Health & Safety Inspection	0	0	
	Internal Recharges			
R001	Central Employee Costs	32,300	8,370	
R003	Central Computer Costs	0	0	
R039	Purchasing & Supplies	55,600	25,940	
R041	Accountancy	0	880	
R042	Creditors	14,400	16,260	
R043	Payroll	16,500	9,360	
R047	Computer Section	0	660	
R057	Personnel	9,200	10,420	
R061	Property Services	0	30	
R100	Building Maintenance DLO	333,700	303,790	
R103	Highways DLO	0	0	
R104	Depot Non-Office	14,700	14,700	
R114	Health & Safety	0	0	
R169	Head of Housing	3,200	0	
R177	Training	5,700	4,760	
R805	Sundry Debtors	4,900	2,100	
	Supplies and Services			
S109	Communications	400	420	
S310	Washing Materials	0	0	
S314	Protective Clothing	7,600	7,980	
S316	Skip & Bobcat	64,000	67,200	
S349	Plant & Tools	14,700	15,440	
S305	External Materials & Supplies	1,221,500	1,205,150	
S004	Internal Stores Materials & Supplies	418,100	439,010	
S510	Insurance for Hire Plant	0	0	
S990	Miscellaneous	7,800	8,190	
S910	Intra DLO Works	69,100	72,560	
S662	Auctioneers Commission & Fees	0	0	
S900	Contributions to Reserves	0	0	
S652	Consultants	0	0	
S650	Health & Safety Advisor	3,400	3,570	
	Transport Related Expenses			
T100	Routine / Regular Servicing	31,400	32,970	
T110	Repairs & Maintenance	14,400	15,120	
T112	Vehicle Fitting	2,600	2,730	
T120	Tyres	2,400	2,520	
T220	Petrol and Other Fuels	77,500	81,380	
T300	Licence, MoT's & Insurance	50,800	53,340	
T400	Operational Leases	65,100	68,360	
T900	Travelling Allowances	1,400	1,470	
T431	Internal Plant	4,100	4,310	
	Total Expenditure	4,517,200	4,273,430	
	INCOME			
	Works Income			
C012	Contributions from reserves	7,400	7,400	
C215	Misc Income	0	0	
C500	Other Income	100	100	
C566	Employee Contribution to Vehicle Use	8,800	8,800	
C630	Fixed Price (Internal) Income	394,000	401,880	
C632	Day Works (Internal) Income	427,000	435,540	
C633	Scheduled Rates (Internal) Income	2,920,000	2,723,800	
C631	External Works Income	105,900	108,020	
C634	Large Contracts (Internal) Income	615,000	627,300	
C635	Handy Van Scheme	39,000	39,780	
	Total Income	4,517,200	4,352,620	
	Net Expenditure	0	-79,190	