



DERBY CITY COUNCIL

COMMUNITY COMMISSION
15 January 2007

Report of the Corporate Director – Resources
& Housing

ITEM 8a

HRA Business Plan and Budget 2007/08 - Consultation

RECOMMENDATION

1. To ask for the Commission's views on the consultation document on the Housing Revenue Account, HRA, Business Plan and Budget 2007/08, attached at Appendix 2.

REASONS FOR RECOMMENDATION

2. The Council consults with Derby Homes, tenants, and the Community Commission on its HRA budget plan update each year.

SUPPORTING INFORMATION

- 3.1 The consultation document sets out in detail the position facing the HRA in the next year and for a thirty year forecast period. The overriding policy remains to use the additional funding that the HRA has in the short term to achieve two strategic goals: stability in the HRA on the loss of additional funding in 2012 and the provision of the estates pride programme of £15m. The key issue is the extent to which the overall funding can be relied upon to achieve these goals, and the conclusion drawn is that it is critical for the repairs account to be brought into balance before committing the next tranche of Estates Pride funding.
- 3.2 The timetable for consultation is:

1 December onwards – Derby Homes Senior Management
18 December - HRA Strategic Working Party
19 December – City Housing Consultative Group
15 January – Community Commission
20 February – Cabinet meeting
- 3.2 It should be noted that the consultation document is drafted on the basis of the updated draft determination issued in November. The final determination is expected at some point during December. Should there be a material change to the figures, there may need to be changes made in the final report to Cabinet. This will be verbally reported on at the meeting.

OTHER OPTIONS CONSIDERED

4. Other options to the existing strategy could place the longer term future of the HRA's finances at increased risk if substantial additional expenditure was committed. Discussions are ongoing between the Council and Derby Homes about their management fee.

For more information contact:	Officer: David Enticott Tel: 255318 email: David.Enticott@derby.gov.uk
Background papers:	Draft determination Oct 06; Updated draft determination Nov 06
List of appendices:	Appendix 1 – Implications Appendix 2 – Consultation Document

IMPLICATIONS

Financial

1. Set out in the report.

Legal

2. The Council is required to set a budget for its Housing Revenue Account that balances and that charges costs appropriately to either the HRA or to the General Fund.

Personnel

3. None directly.

Equalities impact

4. Many of the Council's tenants belong to the Council's equality target groups.

Corporate objectives and priorities for change

5. The objectives of **strong and positive neighbourhoods, protecting and supporting people**, and a **healthy environment** are all enhanced by the improvements in council house standards as a result of Decent Homes, and by any improvements possible through the Estates Pride programme.