



## CONSULTATION ON THE HOUSING REVENUE ACCOUNT BUSINESS PLAN 2010/11

### SUMMARY

- 1.1 To consider the issues facing the Housing Revenue Account - HRA - and to offer comments to the Council's Cabinet relating to those issues.

### RECOMMENDATION

- 2.1 To consider comments in response to the consultation document on this year's HRA Business Plan.

### SUPPORTING INFORMATION

- 3.1 A consultation paper is attached which sets out the general issues underlying the HRA business plan which needs to be approved by the Cabinet in February 2010.
- 3.2 The move of Housing Subsidy to a much higher payment to central government is due in 2011/12, when we are likely to face an increase in payments of about £6m.
- 3.3 The strategy for the last few years has been to save up for this eventuality to smooth its otherwise severely damaging impact while investing temporarily in the Estates Pride programme. This strategy remains under the current system.
- 3.4 There is a chance that an opportunity to opt out of the system may result from an offer due to be made in February 2010 by the government. It is anticipated that this may offer better prospects than remaining in the system, although a proper judgement on that cannot be reached until the details are made clear.
- 3.5 If we are to accept this offer, it is likely to require consensus about its merits and risks.
- 3.6 Comments are requested on priorities for investment in the future.

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**Background papers:** None

**List of appendices:** Appendix 1 – Implications  
Appendix 2 – Consultation document

<b>IMPLICATIONS</b>
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**Financial**

- 1.1 Set out in the consultation document.

**Legal**

- 2.1 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**

- 3.1 None

**Equalities Impact**

- 4.1 Many of the Council's tenants belong to the Council's equality target groups

**Corporate objectives and priorities for change**

- 5.1 The objectives of making us proud of our neighbourhoods, leading Derby towards a better environment and giving excellent services and value for money 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.