

EAST AYRSHIRE COUNCIL

SPECIAL HOUSING COMMITTEE – 07 FEBRUARY 2002

DRAFT ESTIMATES 2002/2003 HOUSING REVENUE ACCOUNT

Joint Report by the Director of Homes and Technical Services and the Director of Finance

1. PURPOSE OF REPORT

- 1.1 To report to Members on the outcome of the consultation exercise for the Housing Revenue Account on the draft estimates for 2002/2003 as considered by the Special Housing Committee on 16 January 2002, and on the associated possible rent levels for 2002/2003.

2. BACKGROUND

- 2.1 The Housing Committee at a special meeting on 16 January 2002 agreed the draft estimates for the 2002/2003 Housing Revenue Account as a basis for consultation. Subsequently the Special Policy and Resources Committee of 16 January 2002 also approved the draft estimates noting that there is a shortfall amounting to £1.173M of income which will require to be funded from increased rent. Over 48 weeks the sum would equate to £1.47 per week (or £1.36 for 52 weeks).

3. CONSULTATION

- 3.1 In line with the arrangements set out for consultation on the budget issues at the Special Policy and Resources Committee of 29 November 2001, there have now been a series of consultation meetings with Members of the Trade Unions, Local Committees and the Public. A meeting with the Trade Unions was held on 15 January 2002 and there were no significant issues raised. The meeting with the Local Committee Representatives took place on 16 January 2002 and they were concerned that services should be maintained. The Public Meetings were held on Monday, 21 January 2002 at Cumnock Town Hall and Tuesday, 22 January 2002 at the Council Headquarters, Kilmarnock. Both meetings were modestly attended. There were a number of questions asked about Housing policy but no adverse comment was made on the proposed rent increase. Three comments were received on the Council's budget line, of which two related to the rent increase. An explanation has been given in each case.

4. FINANCIAL IMPLICATIONS

- 4.1 Taking account of the consultation there are no changes proposed to the budget which was considered by Members at the Special Housing Committee on 16 January 2002 and the Special Policy and Resources Committee of the same date.

5. POLICY / LEGAL IMPLICATIONS

- 5.1 The Council has a statutory requirement to give 4 weeks notice of any change in rent.

6. RECOMMENDATIONS

- 6.1 It is recommended that the Committee:
- a) Remit to the Policy and Resources Committee the draft estimates as submitted to the Special Housing Committee on 16 January 2002;
 - b) Consider a rent increase of £1.47 per week over a 48 week period, in order to balance the Housing Revenue Account; and
 - c) Otherwise note the contents of the report.

James Lavery
Director of Homes and Technical Services
JL/DMcL

Alex McPhee
Director of Finance

LIST OF BACKGROUND PAPERS

1. Special Housing Committee – 16 January 2002
2. Special Policy and Resources Committee – 16 January 2002

For further information please contact James Lavery, Director of Homes and Technical Services on 01563 – 554875 or Alex McPhee, Director of Finance on 01563 –576306.

Implementation Officer: David McLellan, Financial Services Manager

AGENDA