

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 31 JANUARY 2001

DRAFT ESTIMATES 2001/2002 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 2001/2002 as considered by the Special Housing Committee on 18 January 2001, and on the associated possible rent levels for 2001/2002.

2. BACKGROUND

- 2.1 The Housing Committee at a special meeting on 18 January 2001 agreed the draft estimates for the 2001/2002 Housing Revenue Account as a basis for consultation. Subsequently the Special Policy and Resources Committee of 23 January 2001 also approved the draft estimates noting that there is a shortfall amounting to £1.246M of income which will require to be funded from increased rent. Over 48 weeks the sum would equate to £1.50 per week (or £1.38 for 52 weeks).

3. CONSULTATION

- 3.1 In line with the timetable set out for the consultation on the budget issues at the Special Policy and Resources Committee of 23 January 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 23 January 2001 and there were no significant issues raised. The meeting with the Local Committee Representatives took place on 25 January 2001. The Representatives were complimentary on the proposals for the further investment in new kitchens and bathrooms and were anxious that services should be maintained. The Public Meetings were held on Monday, 29 January 2001 at the Council Headquarters, Kilmarnock and Tuesday, 30 January 2001 at Cumnock Town Hall. Both meetings were reasonably well attended, and made no adverse comments on the proposed level of rent increase. There was one suggestion that a differential rent increase be applied in future years to take account of the differences in the size and condition of houses, and the Department will examine this area. There were no comments on the rent increase on the Council's Budget Line.

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 18 January 2001 and the Special Policy and Resources Committee of 23 January 2001.

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 18 January 2001;
 - b) Consider a rent increase of £1.50 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/AB

Alex McPhee
Director of Finance

LIST OF BACKGROUND PAPERS

1. Special Housing Committee – 18 January 2001
2. Special Policy and Resources Committee – 23 January 2001

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