



EXTRA ORDINARY CABINET AGENDA

**WEDNESDAY 24 FEBRUARY 2016 AT 7.00 PM
DBC BULBOURNE ROOM - CIVIC CENTRE**

The Councillors listed below are requested to attend the above meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Membership

Councillor Williams (Leader)	Councillor Harden
Councillor Griffiths (Deputy Leader)	Councillor Marshall
Councillor Elliot	Councillor G Sutton

For further information, please contact Michelle Anderson

AGENDA

1. **MINUTES** (Pages 3 - 13)

To confirm the minutes of the meeting held on 09 February 2016 (circulated separately to Cabinet members).

2. **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

3. **DECLARATIONS OF INTEREST**

To receive any declarations of interest

A member with a disclosable pecuniary interest or a personal interest in a matter who attends a meeting of the authority at which the matter is considered -

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent

and, if the interest is a disclosable pecuniary interest, or a personal interest which is also prejudicial

- (ii) may not participate in any discussion or vote on the matter (and must withdraw to the public seating area) unless they have been granted a dispensation.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Members' Register of Interests, or is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal and prejudicial interests are defined in Part 2 of the Code of Conduct for Members

[If a member is in any doubt as to whether they have an interest which should be declared they should seek the advice of the Monitoring Officer before the start of the meeting]

4. PUBLIC PARTICIPATION

An opportunity for members of the public to make statements and ask questions in accordance with the rules as to Public Participation.

5. REFERRALS TO CABINET

There were no referrals to Cabinet

6. CABINET FORWARD PLAN (Pages 14 - 15)

7. BUDGET 2016/17: SUPPLEMENTARY REPORT (Pages 16 - 18)

8. EXCLUSION OF THE PUBLIC

To consider passing a resolution in the following terms:

That, under s.100A (4) of the Local Government Act 1972 Schedule 12A Part 1 as amended by the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during the items in Part 2 of the Agenda for this meeting, because it is likely, in view of the nature of the business to be transacted, that, if members of the public were present during those items, there would be disclosure to them of exempt information relating to the financial and business affairs of the Council and third party companies/organisations.

Local Government Act 1972, Schedule 12A, Part 1, paragraph 3.

MINUTES

CABINET

9 FEBRUARY 2016

Present:

Members:

Councillors: Williams (Leader)
Griffiths (Deputy
Leader)
Harden
Marshall
G Sutton

Officers:	Sally Marshall	Chief Executive
	James Deane	Corporate Director - Finance and Operations
	Steven Baker	Assistant Director - Chief Executive's Unit
	Robert Smyth	Assistant Director - Performance & Projects
	Nicholas Brown	Group Manager - Commercial Assets & Property Development
	Julie Still	Group Manager - Resident Services
	Jim Doyle	Group Manager - Democratic Services
	Jim Guiton	CCTV / Community Control Centre Team Leader

The meeting began at 7.30 pm

CA/11/15 MINUTES

The minutes of the meeting held on 26 January 2016 were agreed by the members present and signed by the Chairman.

CA/12/15 APOLOGIES FOR ABSENCE

An apology was received on behalf of Councillor Elliot.

CA/13/15 DECLARATIONS OF INTEREST

None received

CA/14/15 PUBLIC PARTICIPATION

None received

CA/15/15 REFERRALS TO CABINET

None received

CA/16/15 CABINET FORWARD PLAN

That the Cabinet Forward Plan be noted, subject to the following additions:

March	Waterhouse Street Traffic Regulation Order Sickness Absence Management Review
April	Housing Acquisition Policy
June	Housing Asset Management Strategy
October	Homelessness Strategy Review

CA/17/15 BUDGET AND COUNCIL TAX SETTING

Resolved to recommend:

General Fund Revenue Estimate

- a) a Dacorum Borough Council General Fund Council Tax requirement of £10.218m, and of £10.908m for the combined Borough Council and Parish Councils' requirement for 2016/17;**
- b) an increase of 2.78% in Council Tax for Dacorum Borough Council;**
- c) the base estimates for 2016/17, as shown in Supplementary Appendix A1,* and the indicative budget forecasts for 2016/17 – 2019-20, as shown in Supplementary Appendix A2;**
- d) the forecast balances of the Revenue Reserves as shown in the Supplementary Appendix J, and approve paragraphs 10-20 of the Cabinet report as the updated Reserves Strategy.**
- e) approve increases in Fees and Charges for 2016/17 as set out in Appendices C3, D3, and E3**
- f) approve and adopt the Treasury Management Strategy for 2016/17, attached at Appendix K;**
- g) approve and adopt the Treasury Management Principles and Practices for 2016/17, attached at Appendix L;**
- h) note that this budget paper, when approved by Council, will form part of the Medium Term Financial Strategy**

Four Year Settlement

- i) delegate approval to the Corporate Director (Finance & Operations) in consultation with Budget Review Group to decide on whether to accept Government's offer of a four-year finance settlement.**

Capital Programme

- j) approve the revised Capital Programme for 2015/16, and for 2016/17 to 2020/21, as detailed in Appendix I;
- k) approve the financing proposals in Appendix I subject to an annual review of the financing options by the Corporate Director (Finance & Operations), in consultation with the Portfolio Holder for Finance and Resources, during the preparation of the Statement of Accounts.

Housing Revenue Account (HRA)

- l) reduce dwelling rents by 1% in accordance with government legislation, resulting in an average rent of £105.19 per week (based on 52 weeks);
- m) approve the HRA estimate for 2016/17 as shown in Appendix F.

Terms & Conditions

- n) approve the continued application of a living wage supplement for all affected employees, in accordance with the rates of the Living Wage Foundation, for 2016/17 (to be reviewed annually thereafter).

Statement by Chief Finance Officer

- o) approve the statement by the Chief Finance Officer regarding the robustness of the budget estimates and level of reserves as set out in Appendix M.

(* Appendices can be found in the reports considered at Cabinet.)

Reason for Decision

To present to Cabinet budget proposals for recommendation to Council in relation to:

- Revenue and Capital Expenditure together with the potential use of reserves
- The setting of the Council Tax for 2016/17
- The Treasury Management Strategy 2016/17
- The level of fees and charges for 2016/17
- Advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003

Implications

Financial & Value for Money
Contained within the body of the report

Risk Implications

Budget Risk Assessment completed within report (Appendix M)

Corporate Objectives

All of the Council's corporate objectives are reflected in the Budget proposals.

Advice

The Corporate Director for Finance and Operations explained that following issue of the Final Local Government Finance Settlement on 8 February 2016, supplementary recommendations were therefore being recommended to Cabinet. Each recommendation listed in the supplementary report to Cabinet supersedes the recommendations of the same letter within the original Cabinet Report. All other recommendations in the Cabinet Report remain extant and are not superseded by the supplementary recommendations.

In addition he added that on 17 December 2015, the Provisional Local Government Finance Settlement for 2016/17 was announced. The Provisional Settlement formed the basis for the Council's draft 2016/17 budget, which was scrutinised by Joint Overview & Scrutiny on 2 February 2016, and was subsequently published within the current Cabinet Report.

On 8 February 2016, the *Final* Local Government Finance Settlement for 2016/17 was announced, which contained a number of significant amendments from the provisional Settlement.

He noted that there could still be amendments required regarding the reduction in council rents and therefore a further paper to Cabinet may be required in February to be considered at a meeting immediately prior to Full Council.

The Chief Executive asked where the council would stand if the Bill was not an Act by the time the rent rates needed to be approved.

The Corporate Director for Finance and Operations said the council would be kept up to date with the options to be considered.

The Portfolio Holder for Housing felt that if the Bill was not an Act by the 1st April 2016, then the proposals should not be implemented until the following year.

The Leader of the Council noted that the council was caught out with this a few years ago and had to act on the rent rates retrospectively, which was a very long and complicated process.

The Portfolio Holder for Environmental, Sustainability & Regulatory Services said that the council had to give a certain amount of weeks' notice to its tenants about what their rent would be for the next financial year.

The Corporate Director for Finance and Operations said that Full Council will be asked to approve a 'best guess' rate which the tenants will be billed for. The council would have to act accordingly if this rate was subsequently amended.

The Leader of the Council said that there could be difficult challenges and decisions over the next few years to bridge the £4.2 mil gap.

Voting

None.

CA/18/15 SENIOR OFFICER PAY POLICY

Resolved to recommend:

- (1) to adopt the Pay Policy for 2016/17 as set out in appendix 1 to the Cabinet report.**
- (2) That any amendments to the Pay Policy throughout the financial year 2016/2017 which are required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer .**

Reason for Decision

To set the Council's pay policy for the financial year 2016/17, as required by Section 38 of the Localism Act 2011.

Implications

Equality Implications

The Pay Policy Statement adheres to national guidance on pay equality.

Risk Implications

There needs to be a robust procedure in place to ensure transparency of information and equality in staffing costs and remuneration.

Health & Safety

No implications from this report.

Corporate Objectives

The Council's policies in respect of pay and terms and conditions support all five of the Council's strategic objectives as part of ensuring that services to the community can be delivered to the required standards and with due regard to economy, efficiency and effectiveness

Advice

The Portfolio Holder for Residents & Corporate Services explained that the Senior Officer Pay Policy has been refreshed for 2016/2017 in line with the Localism Act 2011 requirements. The main changes are:

- The amendment to the leadership structure following retirement of the Assistant Director Chief Executive's Unit.
- A section on additional payments for deputising Statutory Officers
- Additional information on election fees
- A note on the possible imposed a cap on 'exit payments' which can be made to public sector employees who leave voluntarily and the implications this

may have on the pay policy.

The Chief Executive highlighted that paragraph 11 within the report should be amended to read that 'these changes are proposed to take effect from 1 May and not 1 June'. She added that paragraph 4 of appendix 1 related to section 8.8 of the policy.

The Leader of the Council asked how the new national living wage fitted in the DBC pay scales.

The Corporate Director for Finance and Operations explained that the national living wage would be £8.20 so the council pay scales would reflect this.

The Leader of the Council noted that this would mean that council staff would be on a band 3 at least.

Consultation

Consultation took place with:

- Sally Marshall (Chief Executive)

Voting

None.

CA/19/15 CCTV CODE OF PRACTICE

Decision

That the CCTV Code of Practice be approved.

Reason for Decision

To inform the Cabinet of the proposed Dacorum Borough Council Code of Practice which sets out the principles that should apply to all surveillance camera systems in public places to meet the mandatory requirement pursuant to Section 30 (1) (a) of the Protection of Freedoms Act 2012 and to seek approval for the implementation of the code.

Implications

Financial

Within existing budgets

Risk Implications

The intention of this report is to comply with legislation and therefore avoid the risk of non-compliance.

Corporate Objectives

Clean and Safe Environment

Dacorum Delivers

Advice

The Portfolio Holder for Residents & Corporate services introduced the report explaining that the Protection of Freedoms Act 2012 brought with it the first specific legislation relating to the use of CCTV systems by Public Bodies. The Bill introduces a mandatory code of practice for surveillance camera systems and a new regulator, the Surveillance Camera Commissioner. The Surveillance Camera Commissioners code of practice sets out 12 guiding principles which strike a balance between protecting the public and upholding civil liberties. This code will help to demonstrate a robust operating environment with the additional benefit of reassurance to the public that Dacorum Borough Council's CCTV system is operated responsibly and effectively, and the likelihood of any breach of individual privacy is greatly reduced.

The CCTV/Community Control Centre Team Leader added that the report was a combination of the commissioner's report and guidance received and how the council would go about implementing it.

The Portfolio Holder for Environmental, Sustainability & Regulatory Services asked what the councillor's local vetting procedures were.

The CCTV/Community Control Centre Team Leader explained that all operators would go through the normal process of having DBS checks. If they go for a SIA licence this would involve a second 'more enhanced' check.

A SIA licence allows someone to work in the industry, for example in security work whereas working in the CCTV control room was a more highly confidential role.

The Leader of the council asked what the procedure was if somebody wanted to access the system/footage to use as evidence, and was there a charge for this.

The CCTV/Community Control Centre Team Leader replied that Freedom of Information requests did not apply to CCTV. If the footage has been handed over to the Police then the council cannot provide it and a solicitor would need to make the request. As part of the data action request, someone can only ask for footage of themselves and not of a third party, only insurance companies or investigators can request this.

The council may charge for this service and is currently looking at other council's for best practice.

Consultation

Consultation took place with:

- James Deane, Corporate Director, Finance & Operations
- Dave Austin, Assistant Director, Neighbourhood Delivery
- Legal services
- Environmental Health
- Housing

Voting

None.

CA/20/15 ASSET MANAGEMENT STRATEGY

Decision

That the implementation of the Asset Management Strategy as detailed in the Cabinet report be approved.

Reason for Decision

For Cabinet to review and approve the implementation of the proposed Asset Management Strategy.

Implications

Financial

The Council has a significant and varied portfolio of assets which provide an income stream that is crucial to the delivery of the Council's corporate objectives.

Value for Money

The implementation of this Asset Management Strategy will provide improved structure to asset governance and performance management. This in turn will improve the Council's decision-making and support and enhance existing income streams.

Risk Implications

A robust Asset Management Strategy (AMS) mitigates the risk of the Council not being able to deliver the benefits described above.

Corporate Objectives

Efficient management of the Council's assets is essential for the effective delivery of all corporate objectives.

Advice

The Group Manager for Commercial Assets and Property Development explained that the Asset Management Strategy was originally produced by the property consultants EC Harris in consultation with senior officers across the Council and submitted to Cabinet on 21 January 2014.

This has subsequently been updated by officers in response to the changing value of the asset profile of the Council, the creation of a Property Management Board and the presentation of a specific Disposal Strategy for assets. The objective of the strategy is to assist the Council to manage the performance of its assets as efficiently as possible in support of its corporate priorities.

The Strategy was considered by the Finance & Resources Overview and Scrutiny Committee on 13 January 2016 and by the Corporate Management Team. Some minor amendments have been made as a result of comments received.

The Portfolio Holder for Environmental, Sustainability & Regulatory Services asked why the footnote shown on page 76 of the agenda implied that public conveniences had all been closed; she believed some are still open.

The Group Manager for Commercial Assets and Property Development said that this footnote was incorrect and would be amended.

Consultation

Consultation took place with:

- Senior Officers across the Council
- Finance & Resources Committee

Voting

None.

CA/21/15 CORPORATE PLAN

Decision

Resolved to recommend:

- 1. the Corporate Plan 2015 to 2020 for adoption**

Reason for Decision

To seek Cabinet approval for the referral of the Council's new Corporate Plan – 2015 to 2020 to Council for approval

Implications

Financial

The plan sets out the priorities and vision for the organisation over the next five years. As a result it will inform and shape the strategic and financial decision making process of the organisation, including our Medium Term Financial Strategy (MTFS).

Value for Money

A key priority within the plan is 'Delivering an Efficient and Modern Council'.

This will ensure that we focus on achieving the Council's savings and priorities while maintaining quality and protecting frontline services.

Risk Implications

Risk Assessment completed on 18th January

Risk 1

The plan sets out the priorities and vision for the Council over the next five years and frames the operational and financial planning.

Without a clear and considered document, there is a risk that we will start to work in a way that does not meet the expectations and needs of residents or Members.

Risk 2

The lack of a plan would increase uncertainty and makes it difficult for teams focus their attention and resources in the right area.

One of the key elements within a plan is to set out the priorities that the Council needs to address.

Risk 3

The plan also provides a series of key performance indicators enabling us to chart our progress.

Without an effective plan it is possible that we may be working in a way that causes duplication, waste or poor performance.

Corporate Objectives

The Corporate Plan will support all five of the Council's corporate objectives:

1. Clean and safe environment
2. Community capacity
3. Regeneration
4. Dacorum delivers
5. Affordable housing

It sets out the updated priorities for the Council.

Advice

The Leader of the Council said that the Corporate Plan sets out the priorities for the next few years and gives a focal point. The policies are ongoing and therefore the priorities were similar to previous years but do include projects for the future. He added that it would be made available online.

The Portfolio Holder for Housing asked if the council had sold 500 houses as previously it stated we owned 10,500 but now states 10,000.

The Chief Executive said the figure better reflected the situation over the 5 years of the plan. She also highlighted that the priority titles had been changed to reflect a more accessible and action-orientated plan.

The Leader of the Council pointed out some minor amendments to the table showing the previous priority titles. The Chief Executive agreed to have these altered.

The Portfolio Holder for Environmental, Sustainability & Regulatory Services referred to the 'About Dacorum' section of the plan and asked if the figures shown for

recycling, population and adventure playgrounds were for the calendar year or financial year for 2014. She asked if more current figures were available. It was noted that funding would be received for a specific year; however this plan covered a few years. She felt that the figure for funding shown in pounds and pence would be better shown as a percentage.

The Leader of the Council explained that the funding figures were an accurate reflection of the council's position and he felt that the figures were more meaningful shown in pounds and pence rather than a percentage. The Assistant Director for Performance and Projects noted that the figures were for 2014/15 and he would therefore look into 2015/16 figures.

The Leader of the council suggested including a footnote on the 'About Dacorum' page along with the others, to explain the dates the figures were obtained.

The Portfolio Holder for Environmental, Sustainability & Regulatory Services disagreed with the wording shown in the 'Looking Forward' section that 'the traditional view of the council as a one-stop provider of services is unrealistic' and felt 'one-stop' should be replaced. It was agreed that 'one stop' would be replaced with 'main'.

The Portfolio Holder for Environmental, Sustainability & Regulatory Services referred to the 'Building strong and vibrant communities' section and asked if indeed 'we' had delivered superfast broadband as it states, as she thought BT did this? The leader of the Council confirmed that BT did indeed lay the cables but DBC paid for it.

The Chief Executive suggested adding a publication date to the document, to illustrate when the figures were obtained. The Portfolio Holder for Planning & Regeneration felt that the picture of the Maylands Business Centre included in the plan was not very relevant to the text on the same page. The Portfolio Holder for Residents & Corporate Services noted that it referred to the text shown on the following page. The Assistant Director for performance and Projects would amend this illustration.

Consultation

Consultation took place with:

- Corporate Management Team
- Dacorum Borough Council Officers

Voting

None.

The Meeting ended at 8.13 pm

CABINET FORWARD PLAN

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/S.151 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
1.	22/03/16	Enterprise Zone		03/03/16	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	To seek Council's agreement to sign off proposals.
2.	22/03/16	Performance Reports – Quarter 3		03/03/16	James Deane, Corporate Director (Finance & Operations) 01442 228278 james.deane@dacorum.gov.uk	To review the Council's forecast outturn position at the end of the third quarter.
3.	22/03/16	Waterhouse Street Traffic Regulation Order		03/03/16	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk	Following the introduction of the new taxi rank, blue badge and short stay parking bays, we have encountered some disabled badge parking issues on the remaining double yellow lines and roundabout at Moor End Road. This Traffic Order is designed to remove the ability for blue badge holder to park on any remaining double yellow or roundabout and allow our DBC parking team the facility to enforce.
4.	22/03/16	Sickness Absence Management Review		03/03/16	Steve Baker, Assistant Director Chief Executive's Unit, 01442 228229 Steve.baker@dacorum.gov.uk Matt Rawdon, Group Manager People, 01442 228513 matthew.rawdon@dacorum.gov.uk	To be provided
5.	26/04/16	Hemel Hempstead Town Centre Parking Access and Movement Strategy		07/04/16	James Doe, Assistant Director Planning, Development & Regeneration 01442 228583 James.doe@dacorum.gov.uk Chris Taylor, Group Manager Strategic Planning and Regeneration 01442 228405 chris.taylor@dacorum.gov.uk Nathalie Bateman, Strategic Planning & Regeneration Team Leader 01442 228592 nathalie.batemen@dacorum.gov.uk	To consider arrangements for taking forward the next stages of the parking access and movement strategy for Hemel Hempstead Town Centre
6.	26/04/16	Risk Management Q4		07/04/16	James Deane, Corporate Director Finance and Operations 01442 228278 james.deane@dacorum.gov.uk	To review the updated Strategic Risk Register.
7.	26/04/16	Housing Acquisition Policy		07/04/16	Elliott Brooks, Assistant Director (Housing) 01442 228615 elliott.brooks@dacorum.gov.uk	To be provided

	DATE	MATTERS FOR CONSIDERATION	Decision Making Process	Reports to Monitoring Officer/S.151 Officer	CONTACT DETAILS	BACKGROUND INFORMATION
					Simon Smith, Assets and Business Improvement Team Leader Property & Place, 01442 228464 simon.smith@dacorum.gov.uk	
8.	24/05/16	Performance Reports – Quarter 4		05/05/16	James Deane, Corporate Director Finance and Operations 01442 228278 james.deane@dacorum.gov.uk	To review the Council's forecast outturn position at the end of the fourth quarter.
9.	28/06/16	Housing Asset Management Strategy		09/06/16	Elliott Brooks, Assistant Director (Housing) 01442 228615 elliott.brooks@dacorum.gov.uk Fiona Williamson, Group Manager (Property & Place) 01442 228855 fiona.williamson@dacorum.gov.uk	To be provided

Future Cabinet Dates 2016: 26th July
 20th September:
 ➤ Performance report Quarter 1
 18th October:
 ➤ Homelessness Strategy Review (E Brooks / N Braithwaite)
 29th November
 13th December

Agenda Item 7

Urgent Cabinet: 24 February 2016

Supplementary Report: Budget 2016/17

Contacts: Cllr Graeme Elliot, Portfolio Holder for Finance & Resources
James Deane, Corporate Director (Finance & Operations)

Reason for Urgent Cabinet

Following updated information on the progress of the Welfare Reform and Work Bill through Parliament, the following updated recommendations are recommended to Cabinet. Each recommendation listed below supersedes the recommendations of the same letter within the original Cabinet Report (9 February 2016, Agenda Item 13).

Recommendations

It is recommended that Cabinet recommend to Council approval of the following recommendations:

- l) reduce dwelling rents for non-sheltered housing units by 1%, and increase rents for sheltered housing units by CPI plus 1%, resulting in an average rent of £105.52 per week (based on 52 weeks)

- m) approve the updated HRA estimate for 2016/17 as shown in Supplementary Appendix F.

Background

1. Within the summer 2015 budget announcement, Government made a commitment to reduce social rents by 1% per year for four years from April 2016 to help reduce the Housing Benefit bill and cut the deficit. The statutory provision required to give effect to that commitment is contained in the Welfare Reform and Work Bill currently before Parliament.
2. This Bill will not have passed through parliament and received Royal Assent before Council has to vote on setting rent levels for 2016/17. This means that at the point the decision will be made by Members, the Council will not statutorily be compelled to implement a 1% rent reduction.
3. This supplementary Cabinet report has been drafted in consultation with the Council's Corporate Director (Housing & Regeneration) in order to advise Members on the anticipated outcome of the Bill, and how this should inform rent-setting for 2016/17.

Requirement to reduce rents by 1%

4. In its current drafting, clause 20 of the Bill requires that all registered providers of social rent, which includes the Council, reduce their rents by 1% from the amount payable in respect of the preceding 12 months. This means that any local authority provider which did not implement a 1% reduction as of 1 April 2016 would need to make a deeper reduction later in the year in order to comply.

5. The view of ARCH (Association of Retained Council Housing), of which Dacorum is a member, is that the Bill will receive Royal Assent ahead of the new financial year, and that clause 20 will remain substantially unchanged. They expect their members to implement a 1% reduction for the year commencing 1 April 2016.
6. The Council would face significant costs associated with rebilling tenants if it was to continue with its current rent policy and reduce rents only when the Bill receives Royal Assent. On this basis, the advice of ARCH, and the clarity of Government's commitment to effecting the reduction, it is recommended that the Council reduces rent for all non-sheltered housing (see section below) by 1% from 1 April 2016.

Exception to rent reduction for Sheltered Housing

7. Lord Freud (Minister for Welfare Reform) announced in the House of Lords on 27 January 2016 that sheltered housing would be exempt from the 1% reduction for one year pending the completion and consideration of a review currently underway. The advice from DCLG is that councils may (for sheltered housing) freeze rents or increase them by the current government rent guideline of CPI plus 1%. Final detail will be set out in regulation following Royal Assent (i.e. after rent setting for us).
8. Hitherto, council policy has been to increase rents for properties not at target rent by RPI plus 0.5% plus £2 per week. However, as the final regulations may potentially prohibit increases above the government guideline of CPI plus 1%, it is recommended that the Council continue to increase rents for sheltered housing units, but limit increases to CPI plus 1% in line with government guidelines.

DRAFT HOUSING REVENUE ACCOUNT BUDGET SUMMARY 2016/17

	Original 2015/16 (a)	Forecast 2015/16	Draft 2016/17 (b)	Movement (b) - (a)
	£000	£000	£000	£000
Income				
Dwelling Rents	(56,236)	(56,356)	(55,849)	388
Non-Dwelling Rents	(80)	(80)	(80)	0
Tenant Service Charges	(273)	(322)	(388)	(115)
Leaseholder Charges	(507)	(469)	(477)	30
Interest and Investment Income	(114)	(188)	(206)	(92)
Contributions to Expenditure	(555)	(595)	(655)	(100)
Total Income	(57,765)	(58,010)	(57,654)	111
Expenditure				
Repairs and Maintenance	10,262	10,184	10,702	440
Revenue Contribution to Capital	14,729	14,729	0	(14,729)
Supervision & Management	11,334	11,560	11,766	432
Corporate and Democratic Core	264	228	220	(44)
Rent, Rates, Taxes & Other Charges	14	14	14	(0)
Provision for Bad Debts	216	216	250	34
Interest Payable	11,658	11,658	11,643	(15)
Depreciation	9,288	9,288	9,506	218
Total Expenditure	57,765	57,877	44,101	(13,664)
Contribution to/(from) Earmarked Reserves	0	0	13,553	13,553
HRA Deficit / (Surplus)	0	(133)	(0)	(0)
Housing Revenue Account Balance:				
Opening Balance at 1 April	(2,846)	(2,846)	(2,979)	
Deficit / (Surplus) for the year	0	(133)	(0)	
Contributions to Earmarked Reserves	0	0	0	
Closing Balance at 31 March	(2,846)	(2,979)	(2,979)	

Earmarked Reserves:				
Opening Balance at 1 April	(7,194)	(7,194)	(7,194)	
Deficit / (Surplus) for the year	0	0	(13,483)	
Contributions to Earmarked Reserves	0	0	0	
Closing Balance at 31 March	(7,194)	(7,194)	(20,677)	