

Cabinet

Report Subject	Housing Revenue Account Budget, Rent Setting and Capital Programme 2016/17 – SUPPLEMENTARY
Meeting date	10th February 2016
Cabinet Portfolio	Councillor John Beesley, Leader of the Council and portfolio Holder for Resources Councillor Robert Lawton, Portfolio Holder for Housing
Corporate Lead	Ian Milner, Acting Executive Director – Finance Bill Cotton, Executive Director – Environment and Economy
Service Director	Gary Josey, Service Director – Housing Parks and Bereavement Services
Status	Public
Classification	For decision
Key Decision	Yes
Impacts on Key Policy Framework	No
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Executive summary	Last week, after Cabinet papers were despatched, the Government released details of the types of housing that will be granted one year exemption from the general 1% rent reduction policy. This exemption will allow providers of supported housing to increase the rents by CPI + 1%.
Recommendations	It is recommended that Cabinet be requested to agree and recommend to Council: - A one year exemption from the rent reduction policy on all supported housing properties as per the Government's definition.

Reasons for recommendations	HRA rents and other charges along with the HRA Capital Programme are subject to review and require Cabinet and Council approval in order for rents and charges to be levied.
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Background Detail

1. The Government last week released details of the properties that will be granted a one year exemption from its new policy that reduces social and affordable housing rents by 1% for the next four years. It means that the following types of housing will have their rent increased by September Consumer Price Index (-0.1%) + 1% in 2016/17:
 - a) domestic violence refuges and other specialist accommodation-based support for domestic violence victims;
 - b) hostels and other accommodation for the homeless;
 - c) sheltered accommodation for older people;
 - d) supported accommodation for young people;
 - e) extra care housing;
 - f) accommodation for people with mental health or drug/alcohol problems;
 - g) accommodation for people with disabilities;
 - h) accommodation for ex-offenders and people at risk of offending;
 - i) alms houses, cooperative housing associations and community land trusts.
2. The Government acknowledged that the provision of the above housing properties nationwide involves higher costs than those of general needs. In order for Bournemouth Council to be able to keep the high quality service delivered to these most vulnerable tenants, the Government exemption will be applied.
3. Within sheltered housing 83% of tenants are in receipt of housing benefit.

Consultation

4. There is no legal obligation to consult on the annual rent changes. The rent changes noted in this report for 2016/17 are being imposed by changes to government policy.

Financial Implications

5. Financial implications are explained within the main report.

Legal Implications

6. There are no legal implications arising from this report.

Summary of human resources implications

7. There are no human resources implications arising from this report.

Summary of Environmental Impact

8. There will be no impact on the environment.

Summary of Equalities & Diversities Implications

9. There are no equality and diversity implications arising from this report.

Summary of Risk Assessment

10. Risk assessments are explained within the main report