

CABINET MINUTES

13 FEBRUARY 2014

Chairman: * Councillor Susan Hall

Councillors:

| | |
|---------------------------|------------------|
| * Kam Chana | * Janet Mote |
| * Tony Ferrari | * Paul Osborn |
| * Stephen Greek | * Simon Williams |
| * Manji Kara | * Stephen Wright |
| * Barry Macleod-Cullinane | |

**Non Executive
Non Voting
Councillors:**

| | |
|--------------------|---------------|
| * Graham Henson | * David Perry |
| * Thaya Idaikkadar | |

**In attendance:
(Councillors)**

| | |
|---------------|------------|
| James Bond | Minute 776 |
| Krishna James | Minute 776 |
| Jerry Miles | Minute 788 |
| Asad Omar | Minute 776 |

* Denotes Member present

780. Key Decision: Housing Revenue Account Budget 2014/15 and Medium Term Financial Strategy 2015/16 to 2017/18

The Portfolio Holder for Adults and Housing introduced the report, which set out the Housing Revenue Account (HRA) Budget for 2014/15 and Medium Term Financial Strategy (MTFS) for 2015/16 to 2017/18.

The Portfolio Holder referred to the proposed national rent-setting policy and its impact on the Council, the plans to develop estates and the garage strategy; the latter of which would be brought into fruition with the submission of planning applications in the next few months. He referred to the proposed increase in rents, which had been based on the revaluation carried out by a

former administration and incorporated into the 2013/14 budget, and the rental strategy previously agreed by Cabinet. Overall, the HRA Budget and the MTFs continued to reflect a healthy position, as a result of the government's HRA reforms.

In response to questions from non-voting non-Executive Cabinet Members, the Portfolio Holder and an officer responded, as follows:

- in relation to dwelling rents, a prudent assumption had been taken on the inflation measure;
- new builds were subject to depreciation as they were brought into use. A straight line depreciation accounting method was being applied to the existing stock based on the lifecycle replacement of key building components. The condition of the stock was being factored in to the feasibility studies being undertaken;
- in terms of the Mayor of London's draft Housing Strategy, the administration was keen to look at local housing needs as a key driver and 'a local option for Harrow' would be explored. With Harrow having been designated as an Opportunity Area, with some 2,800 new homes and 3,000 new jobs planned. Additionally, with the ongoing work on estate regeneration and the garage strategy, it was expected that at least a further 700 new homes would be built in Harrow. The Portfolio Holder also praised his predecessor's efforts in "removing the logjam" and moving the Council's garage strategy forward.

The Portfolio Holder commended the report to Cabinet.

Resolved to RECOMMEND: (to Council)

That

- (1) the Housing Revenue Account Budget (HRA) for 2014/15 be approved;
- (2) the Housing Revenue Account (HRA) Capital Programme, as detailed in Appendix 7 to the report, be approved.

Reason for Recommendation: To publish the final HRA budget and set Council rents and other charges for 2014/15.

Alternative Options Considered and Rejected: As set out in the report.

Conflict of Interest relating to the matter declared by Cabinet Member / Dispensation **Granted:** None.

APPENDIX I**HRA Capital Programme****(Appendix 7 to the report)**

| Budget Description | 2014/15 | 2015/16 | 2016/17 | 2017/18 |
|---------------------------------------|------------------|-------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Internal Works | 3,628,120 | 3,928,120 | 4,428,120 | 4,228,120 |
| External Works | 1,586,450 | 1,586,970 | 1,671,490 | 2,300,000 |
| M & E | 920,000 | 920,000 | 920,000 | 920,000 |
| Garages | 61,500 | 61,500 | 61,500 | 61,500 |
| Aids and Adaptations | 615,000 | 615,000 | 615,000 | 615,000 |
| Capitalisation Responsive Repairs | 142,500 | 142,500 | 142,500 | 142,500 |
| Capitalised Salaries | 317,000 | 317,000 | 317,000 | 317,000 |
| Develop Wider Housing Initiatives Pot | 256,240 | 256,240 | 256,240 | 555,000 |
| HRA Capital Investment | 7,526,810 | 7,827,330 | 8,411,850 | 9,139,120 |
| Affordable Housing Programme | 2,000,000 | 4,400,000 | | |
| Total HRA Capital Programme | 9,526,810 | 12,227,330 | 8,411,850 | 9,139,120 |