

**REVENUE BUDGETS**

5. The following table summarises the base and revised budgets for 2016/17 and the base budget for 2017/18, of the Housing Revenue Account and Housing Repairs Account.

	<b>Base Budget 2016/17 £000s</b>	<b>Revised Budget 2016/17 £000s</b>	<b>Base Budget 2017/18 £000s</b>
<b>Housing Revenue Account</b>			
Income	-12,324	-12,303	-12,578
Management and Finance	4,482	4,392	4,382
Repairs - Revenue	2,973	4,452	4,449
Improvements - Capital	2,682	2,999	3,636
<b>HRA Surplus/Deficit</b>	<b>-2,187</b>	<b>-460</b>	<b>-111</b>
Planned transfer to Reserves	2,164	0	0
<b>Transfer to/from HRA Revenue Reserve</b>	<b>-23</b>	<b>-460</b>	<b>-111</b>
<b>Closing Balances</b>			
HRA Revenue Reserve	-3,729	-4,167	-4,276
Repairs Reserve	-1,500	-1,500	-1,500
Major Repairs Reserve	-1,324	-7	-13
Capital Development Fund	-4,564	-869	0
1:4:1 Receipts	-523	-414	-263
Unspent Grants	0	-140	0
<b>Total</b>	<b>-11,640</b>	<b>-7,097</b>	<b>-6,052</b>

**RENTS**

6. When the Council left the HRA Subsidy System in March 2012, rents were assumed to rise at a rate of RPI (as at end of September) + 0.5% plus £2 to achieve convergence by 2015/16.
7. The Spending Review of 2013 took away the ability for Local Authorities to increase rents (for tenants in situ) to achieve convergence by the said date. The Government's rent setting policy changed so that rents from 2015/16 should increase at the rate of CPI (as at end September) plus 1% for a period of ten years to give certainty to landlords.
8. In the Summer Budget of July 2015, the Government announced that Social Housing Rents will fall by 1% a year for four years from April 2016. This is provided for in legislation within the Welfare Reform and Work Bill.
9. For 16/17, rents for low cost home ownership accommodation (shared-owner) and sheltered housing are excluded from this direction. The Council has 60 shared-ownership homes and 645 sheltered housing homes.