

**HOUSING DIRECTORATE  
GENERAL FUND  
ESTIMATES 2010/11**

# Housing

## Revenue Budget 2010/11

### Introduction

The Housing (General Fund) Directorate is responsible for the following services;

Private Sector Housing  
Homelessness  
Bed and Breakfast Accommodation  
Housing Strategy  
Affordable Housing Grants

Further details of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

### Management & Portfolio Changes

In previous years the budget has been reported on a Portfolio by Portfolio basis, this has now been changed following discussions with the Leader and the groupings within the budget report are based on the Directorate that is responsible for the delivery of the services. This has required a recasting of the 2008/09 Actual and the 2009/10 Original Estimate, so whilst the Net Cost of Services figure within the General Fund Estimate Summary remains unchanged the directorate budget summary totals and indeed the directorate CSB/DDF schedules cannot be directly compared to those reported previously.

### Capital Charges

Accounting standards require that local authority fixed assets are accounted for on a consistent basis whereby proper provision for depreciation is made within service revenue accounts to reflect the cost of fixed assets used in the provision of services. The depreciation charge is based on the valuation of each asset, which is updated as necessary, or the historic cost of the asset as appropriate and the period over which each asset is depreciated is based on the useful life of the asset. Impairment charges would also be chargeable in the event of an asset suffering damage and/or the loss of economic benefits (e.g. storm damage). No impairment charges, however, are anticipated within the budgets. To ensure that capital charges do not impact on the level of Council Tax, these charges are reversed out in the Revenue Expenditure, Income and Financing Summary after the net operating expenditure is calculated.

### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2009. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the directorate service groupings differ from those required by the Code of Practice. The directorate groupings are given precedence in these papers.

### Budget format

The format of the attached budget papers is the same as last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all directorates will have all three types of service grouping.

**Direct Services** – these are self-explanatory and reflect the headline services provided by the directorate.

**Regulatory Services** –The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate directorate budgets.

**Support and Trading Services** - Responsibility for support services and trading type arrangements has been split across a number of directorates. In order to be transparent about the costs associated with these areas, they have been included in the relevant directorates. However the net cost of these services is recharged to the direct and regulatory functions, either within the same directorate or across a number of directorates. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the directorate.

The summary page includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

## Housing

### General Fund Estimate Summary

2008/09 Actual £000	2009/10 Original Estimate £000	2009/10 Revised Estimate £000		2010/11 Gross Expend £000	2010/11 Gross Income £000	Net Expend £000
<b>Direct Services</b>						
572	742	581	Private Sector Housing	1,435	596	839
279	290	275	Homelessness	441	167	274
40	44	52	Housing Strategy	46	0	46
1,005	247	431	Affordable Housing Grants	327	0	327
0	0	0	Leasehold Services Administration	286	286	0
<b>1,896</b>	<b>1,323</b>	<b>1,339</b>	<b>Portfolio Total</b>	<b>2,535</b>	<b>1,049</b>	<b>1,486</b>
1,552	1,291	1,306	Continuing Services Budget			1,404
345	12	23	Continuing Services Budget - Growth			0
0	0	(12)	Continuing Services Budget - Savings			0
<b>1,897</b>	<b>1,303</b>	<b>1,317</b>	<b>Total Continuing Services Budget</b>			<b>1,404</b>
8	20	89	District Development Fund - Expenditure			103
(9)	0	(67)	District Development Fund - Savings			(21)
<b>(1)</b>	<b>20</b>	<b>22</b>	<b>Total District Development Fund</b>			<b>82</b>
<b>1,896</b>	<b>1,323</b>	<b>1,339</b>	<b>Portfolio Total</b>			<b>1,486</b>

**THIS PAGE IS INTENTIONALLY LEFT BLANK**

## Housing General Fund

### Development Fund and Growth Items

		Original 2009/10 £000's	Revised 2009/10 £000's	Original 2010/11 £000's
<b>CSB Growth Items</b>				
Private Sector Housing	Environmental Health Practitioner	12		
Bed and Breakfast	Reduction in Bed and Breakfast Income		23	
New Start Scheme	Grants		(12)	
		<b>12</b>	<b>11</b>	<b>0</b>
<b>Development Fund Items</b>				
Private Sector Housing	Technical Officer			27
Private Sector Housing	Handyperson Scheme		17	15
Private Sector Housing	Handyperson Scheme		(15)	(15)
Private Sector Housing	Finders Fee		5	
Private Sector Housing	House Condition Survey			55
Homelessness	Rental Loan Scheme	20	9	
Homelessness	Essex Rental Loan Scheme		8	11
Homelessness	Essex Rental Loan Scheme		(8)	(11)
Homelessness	Repossession Prevention Fund		48	
Homelessness	Repossession Prevention Fund		(48)	
Housing Strategy	Consultant Housing Company		6	
		<b>20</b>	<b>22</b>	<b>82</b>

## **Housing General Fund**

### **Private Sector Housing**

#### **Private Sector Grants**

Although there is a reduction in revised 2009/10 estimates, due to additional funding for Decent Homes and Disabled Facilities Grant, this does not effect the council tax, as the entry is reversed out below the 'net cost of services' line as shown in the budget summary. The original 2010/11 estimates show an increase due to the changes in the allocation of the Private Sector Housing Grants team, and the reduction in grant funding to normal levels as mentioned above.

#### **Repairs to Private Dwellings**

The 2009/10 estimates show an increase on actual 2008/09 due to allocations from the Private Sector Technical Team. The original 2010/11 estimates show a reduction due to changes in the Private Sector Housing Grants Team and the removal of the 'Finders Fee' DDF item.

#### **General Improvement Areas**

There are no significant variances in this area.

#### **Care and Repair**

This service has been developed to enable the elderly and disabled people to live independently in their own homes. The reduction in the revised 2009/10 and 2010/11 estimates relate to changes in allocations from the Private Sector Housing Grants team and

#### **House Condition Survey**

The last survey was completed in 2006/07. The budget for 2010/11 consists of a DDF item of £55,000 to undertake a up to date survey.

#### **Handyperson Scheme**

The provision of an affordable, trustworthy and competent builder to the elderly and low income households are the main aims of this service. There are no significant variances to report.

## Housing General Fund

### Private Sector Housing

2008/09	2009/10			2010/11		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
<i>£000</i>	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
297	382	182	Private Sector Grants	928	479	449
167	206	266	Repairs to Private Dwellings	238	1	237
9	11	16	General Improvement Areas	14	0	14
75	103	76	Care & Repair	141	90	51
0	0	0	House Condition Survey	55	0	55
24	40	41	Handyperson Scheme	59	26	33
<b>572</b>	<b>742</b>	<b>581</b>	<b>Total (Transferred to Summary)</b>	<b>1,435</b>	<b>596</b>	<b>839</b>
236	730	574	Continuing Services Budget			757
345	12	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>581</b>	<b>742</b>	<b>574</b>	<b>Total Continuing Services Budget</b>			<b>757</b>
0	0	22	District Development Fund - Expenditure			97
(9)	0	(15)	District Development Fund - Savings			(15)
<b>(9)</b>	<b>0</b>	<b>7</b>	<b>Total District Development Fund</b>			<b>82</b>
<b>572</b>	<b>742</b>	<b>581</b>	<b>Portfolio Total</b>			<b>839</b>

## **Housing General Fund**

### **Homelessness**

#### **Homelessness**

The Housing Options Service will always seek to prevent homelessness on cases they deal with. However in cases they are unable to prevent they will ensure that the council fulfils its statutory duty under homeless legislation.

The reduction from original 2009/10 budget is due to the reduction of the DDF item for the rental loan scheme. This scheme offers an interest free loan to homeless applicants where the Council would assist in securing accommodation in the private sector. The DDF item would only be required if the applicant defaulted on the loan.

#### **Bed and Breakfast Accommodation**

The increase in expenditure from the original 2009/10 is due to the reduction in income.

#### **Fresh Start Scheme**

The reduction from the original 2009/10 budget is due to the reduction in the number of East Home Housing Association properties being used to house homeless applicants.



## Housing General Fund

### Homelessness

2008/09	2009/10			2010/11		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
195	239	217	Homelessness	284	67	217
69	24	42	Bed & Breakfast Accommodation	142	100	42
15	27	16	Fresh Start Scheme	15	0	15
<b>279</b>	<b>290</b>	<b>275</b>	<b>Total (Transferred to Summary)</b>	<b>441</b>	<b>167</b>	<b>274</b>
271	270	255	Continuing Services Budget			274
0	0	23	Continuing Services Budget - Growth			0
0	0	(12)	Continuing Services Budget - Savings			0
<b>271</b>	<b>270</b>	<b>266</b>	<b>Total Continuing Services Budget</b>			<b>274</b>
8	20	61	District Development Fund - Expenditure			6
0	0	(52)	District Development Fund - Savings			(6)
<b>8</b>	<b>20</b>	<b>9</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>279</b>	<b>290</b>	<b>275</b>	<b>Portfolio Total</b>			<b>274</b>

## **Housing General Fund**

### **Other Activities**

#### **Housing Strategy**

The Housing Policy Group carry out regular reviews to find the best ways to utilise the Council's housing stock. Included within the revised 2009/10 budget is a £6,000 DDF item for a Consultant being appointed to consider the feasibility of the Council setting up a Local Housing Company.

#### **Affordable Housing Grants**

The capital programme includes a final payment to Estuary Housing Association to enable the provision of affordable housing on small areas of surplus HRA land. This transaction does not result in the creation of a Council asset and therefore is written off to the revenue account in the year that the grant is given. There are also write off's of two capital expenditure items in relation to the home ownership projects initiative that started in 2008/09 and the introduction in 2009/10 of the open market shared ownership scheme. These transaction have no effect on the council tax, as the entry is reversed out below the 'net cost of services' line within the budget summary. The budget figures could fluctuate significantly year-on-year depending on expenditure included within the capital programme.

#### **Leasehold Services Administration**

This budget relates to the management costs and administration of the leaseholders accounts.

Former HRA flats that have been sold on long leases still present liabilities to this Council in respect of maintenance costs. Whilst the income from these sources is credited to the HRA, the administration element is charged back to leaseholders. The net expenditure to this council will therefore always be nil.

## Housing General Fund

### Other Activities

<i>2008/09</i>	<i>2009/10</i>			<i>2010/11</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
40	44	52	Housing Strategy	46	0	46
1,005	247	431	Affordable Housing Grants	327	0	327
0	0	0	Leasehold Service Administration	286	286	0
<b>1,045</b>	<b>291</b>	<b>483</b>	<b>Total (Transferred to Summary)</b>	<b>659</b>	<b>286</b>	<b>373</b>
1,045	291	477	Continuing Services Budget			373
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>1,045</b>	<b>291</b>	<b>477</b>	<b>Total Continuing Services Budget</b>			<b>373</b>
0	0	6	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>6</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>1,045</b>	<b>291</b>	<b>483</b>	<b>Portfolio Total</b>			<b>373</b>

## HOUSING GENERAL FUND DIRECTORATE

### SUBJECTIVE ANALYSIS 2010/11 Original

Cost Centre	Codes	Employees	Premises	Transport	Supplies	Support Services	Grant Payments	Gross Expenditure	Fees & Charges	Government Grants	Other Contributions	Gross Income	Net Expenditure
		£	£	£	£	£	£	£	£	£	£	£	£
<b>PRIVATE SECTOR HOUSING</b>													
Private Sector Housing Grants	PH100	98,170	0	2,870	220	76,440	750,000	927,700	0	479,000	0	479,000	448,700
Repairs to Private Dwellings	EH120	153,890	0	5,500	7,900	70,900	0	238,190	1,580	0	0	1,580	236,610
General Improvement Areas	PH110	0	8,310	0	0	5,740	0	14,050	0	0	0	0	14,050
Care & Repair	PH130	60,030	0	2,570	35,130	43,090	0	140,820	1,500	31,810	56,360	89,670	51,150
House Condition Survey	PH140	0	0	0	55,000	0	0	55,000	0	0	0	0	55,000
Handyperson Scheme	PH135	18,740	0	540	25,580	14,590	0	59,450	0	0	26,440	26,440	33,010
<b>HOMELESSNESS</b>													
Homelessness	HL100	194280	0	7,050	16,830	65,840	0	284,000	40	61,050	5,600	66,690	217,310
Bed & Breakfast Accommodation	HL110	26160	100,000	1,660	30	14,580	0	142,430	0	0	100,000	100,000	42,430
Fresh Start Scheme	HL130	0	0	0	14,000	960	0	14,960	0	0	0	0	14,960
<b>OTHER ACTIVITIES</b>													
Housing Strategy	SY100	12,960	0	80	3,010	30,080	0	46,130	0	0	0	0	46,130
Affordable Housing Grants	RL100	530	0	10	0	23,820	302,000	326,360	0	0	0	0	326,360
Leasehold Services Administration	05245	95,510	76,570	2,180	10,400	101,970	0	286,630	286,630	0	0	286,630	0
<b>TOTAL (Transferred to GF Summary)</b>		<b>660,270</b>	<b>184,880</b>	<b>22,460</b>	<b>168,100</b>	<b>448,010</b>	<b>1,052,000</b>	<b>2,535,720</b>	<b>289,750</b>	<b>571,860</b>	<b>188,400</b>	<b>1,050,010</b>	<b>1,485,710</b>