

**JOINT OVERVIEW & SCRUTINY TRANSITION – HOUSING TASK GROUP**

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**Housing Service Budgets 2009 / 10**

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**Purpose of Report**

1. To provide the task group with a brief update on the progress made so far in building the 2009 / 10 budgets for the new Housing Service.

**Action Required of the Task Group**

2. To note the report.

**General Fund Revenue**

3. General Fund Revenue

- (a) The baseline budget position for housing services has been agreed as £2.6m.
- (b) The One Council For Wiltshire savings target for 2009-10 is £200k. It has been agreed that any savings which are made to enable a cash freeze position can count towards this figure.
- (c) Currently, work is on-going to establish the required additional spend for next year, and any potential savings areas. Several of these have been identified, and we believe at present that a cash freeze position will be achievable.
- (d) The main issue at present which represents a threat to this being achieved is around the area of employees. As a new structure will be introduced, but has not yet been evaluated, it is not possible to fully cost this. It is therefore hoped – but not known – that the new structure will be achievable within current budget. However, if this is not achievable, additional savings would need to be sought to allow cash freeze to be attained. This may impact on the quality of service provision, though it is hoped not.

#### 4. HRA Revenue

- (a) The HRA in 2008-09 is budgeted to put £978k into its reserve. This will bring its reserves at the end of the year to approximately £9.5m.
- (b) In 2009-10, the level of negative subsidy is expected to rise by approximately £500k, thereby giving a contribution to reserves of approximately £450k. Otherwise, it is expected that costs will be contained within existing budgets, and the rent and service charge rises.
- (c) Draft subsidy determinations are not expected until December, therefore until then, it is difficult to be more precise. However, there are no major budgetary issues expected in this area.

#### 5. Capital

Little to update since the last briefing. Bids have been submitted, and the importance of affordable housing in relation to the LAA targets were stressed at the budget review meeting on 26<sup>th</sup> September.

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Report Authors

Graham Hogg, Housing Service Director / Caroline Law, Finance Officer