

ABERDEEN CITY COUNCIL
HOUSING REVENUE ACCOUNT
2011/12 – 2013/14 BUDGET PAPERS



ABERDEEN
CITY COUNCIL

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APPENDIX 1

ABERDEEN CITY COUNCIL
DRAFT HOUSING REVENUE ACCOUNT

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Revenue Assumptions

In preparing the information for the draft Housing Revenue Account budget for the financial year 2011/12, a number of assumptions have been made and these are given below.

Should you require an electronic version of the budget contained within this documentation, please contact Helen Sherrit, Senior Accountant on (81)4598 or email hsherrit@aberdeencity.gov.uk. The budget information is available as a set of Excel spreadsheets.

Inflation

In preparing the budget no inflationary uplift has been added as per the General Fund Budget for 2010/11, (there are some exceptions to this rule such as utility costs these are stated in the variance notes). Inflation is currently running at approximately 4.7% (RPIX at November 2010).

Housing Stock

The number of Council houses owned by the Council, as at 30 September 2010, is 22,717. It has been assumed that there will be a further 53 sales during the financial year 2010/11, bringing total sales for the year to 100, this is a reduction of 100 from the budgeted amount of 200. The average selling price for the period 1 April 2010 to 30 November 2010 is approximately just above £44,419.

Set Aside Rules

For the financial year 2010/11 the Council budgeted for 100% of all Council house sales to be utilised to repay debt. The Council is free to decide on how the proceeds from the disposal of Council houses are used. **The Head of Finance recommends that all capital receipts continue to be used to repay debt for the financial year 2011/12 and future years.**

Council House Sales

It has been assumed that the level of house sales will be 50 in 2011/12. The average selling price for 2010/11 is currently estimated at just over £44,419. The average number of houses for the financial year 2011/12 is therefore estimated to be 22,639 properties.

Average Rent Prices

The average rent used for the financial year 2011/12 is £65.94, and this has been used to calculate the income available in 2011/12 to fund the proposed budgeted level of expenditure. The average rent is calculated by taking the average rent for 2010/11 plus 5.7% (RPIX at November 2010 + 1%).

Heat with Rent

A detailed analysis has been carried out on the utility bills for Heat with Rent to ensure that the charging policy introduced in the 2006/07 budget setting

process can be continued into 2011/12. No increase of income has been built into the proposed budget.

Working Balances

In developing a rent setting strategy it is important to ensure that there are adequate working balances. The Head of Finance recommends that this be set at 5% of final gross expenditure (i.e. it should include capital from current revenue) as a result of the current high inflation and a potential increase in base rates.

Rent Setting Strategy

In setting a rent strategy a number of factors must be considered. These include the following:

- Level of capital investment;
- Scottish Housing Quality Standard;
- Level of additional borrowing;
- Prudential Code;
- Level of capital from current revenue;
- Heat with Rent increases;
- Average rent increases;
- Level of voids;
- Level of working balances; and
- New Build

Housing Capital Expenditure Programme

Background

The Housing Capital Expenditure Budget supports the delivery of the following National Outcomes to the citizens of Aberdeen:

- **National Outcome 10:** “We live in well designed sustainable places where we are able to access the amenities we need”; and
- **National Outcome 14:** “We reduce the local and global impact of our consumption and production”

This is in addition to contributing towards the achievement of the following strategic priorities laid out in the Community Plan Update 2008:

- **Affordable Housing** – Increasing the levels of affordable housing in new housing developments; and
- **Regeneration** – Improving the quality of life in our most deprived areas.

The 2011/12 Budget will continue to provide funding for on-going new build projects and site acquisition.

All of this has been achieved within the financial projections contained within the existing Housing Revenue Account Business Plan.

Housing Investment Programme

2011/12 will see continued major investment in tenants’ homes to make sure that they meet their needs and expectations as well as the requirements of the Scottish Housing Quality Standard (SHQS). We continue to make steady progress towards SHQS compliance with 48% of our stock now meeting the standard (as at September 2010).

During this financial year we will restart our normal heating replacement work following the protracted delays caused by the legal challenge to the award of the heating framework tender in 2009. This will assist us in the improvement in the average National Home Energy Rating (NHER) of the council housing stock. The current average is 7.18 which is well above the current SHQS energy efficiency minimum of 5.0.

As has previously been reported to committee we plan to start work on a major over cladding scheme to three High Rise buildings in 2011. These proposals have been brought forward due to the continued problems with water penetration.

To ensure that the Council can meet its priorities in terms of its housing stock the budgets for the next three years (inclusive of slippage) can be summarised as follows:

2011/12 - £49.04 Million
 2012/13 - £44.46 Million
 2013/14 - £47.78 Million

Housing New Build Programme

Fiscal year 2011/12 will see the Council complete construction of phase one and continue construction of phase two and three of its' New Build Programme. These developments are to be located at the following sites:

Location	Houses	Flats	Total
Phase 1			
Byron Park, Northfield	16	12	28
Hayton Road, Tillydrone	18	12	30
Rorie Hall, Cults		27	27
Phase 2			
Marchburn, Northfield	19	16	35
Phase 3			
Oldcroft Place, Stockethill	11	20	31

The Council was successful in obtaining grant assistance from the Scottish Government for the construction of 66 units for Phase 2 and 3 amounting to a total of £1.805 million.. This will reduce our overall borrowing requirements.

The Phase Two Scottish Government grant money will help build 35 new council homes in a family-friendly "Homezone" on the site of the former Marchburn School in Northfield, comprising 19 three-bedroom houses and 16 two-bedroom flats. The Homezone concept ensures that residential streets are designed for people, not traffic, to improve the quality of life.

The Phase Three Scottish Government grant money will help build 31 new Council homes on the site of the former Croft House in Stockethill, comprising of 11 three-bedroom houses and 20 two-bedroom flats. This development will also use the Homezone concept encouraging a more flexible and innovative approach to the design of new residential streets.

Housing Capital Budget Expenditure Proposal

Taking the above points into consideration, the total Housing Capital Expenditure Budget requirements (inclusive of slippage) for each of the next three fiscal years are as follows:

Fiscal Year	Housing Investment	Housing New Build	Total
2011/12	£49.04 Million	£7.77 Million	£56.81 Million
2012/13	£44.46 Million	£0.236 Million	£44.696 Million
2013/14	£48.175 Million	£ 1.12 Million	£49.295 Million

		Budget	Out-turn	Budget	
	Housing Revenue Account	2010/11	2010/11	2011/12	
		£'000	£'000	£'000	
	Agencies				
29	Mediation Service	98	95	98	20
30	Provision of Furniture	174	68	0	19
31	Energy Advice	81	81	81	20
32	Citizens Advice Bureau	14	14	14	15
33	Disabled persons Housing Service	38	38	38	15
		405	296	231	
	Transfer Payments				
34	Aberdeen Families Project	400	400	400	21
35	Loss of Rent - Council Houses	649	717	758	22
36	Loss of Rent - Garages, Parking etc	145	151	160	
37	Loss of Rent - Modernisation Works	48	48	51	
38	Supporting People Contribution	417	417	406	23
39	CFCR	13,561	15,234	13,926	
		15,220	16,967	15,700	
	Capital Financing Costs				
40	Loans Fund Instalment	2,577	2,362	3,560	
41	Loans Fund Interest	10,664	8,627	12,429	
42	Heating Leasing Payment	131	131	131	
		13,372	11,120	16,120	24
	Expense Total	70,192	70,841	75,407	
	Income				
43	Government Grant - General	(313)	(313)	(310)	25
44	Ground Rentals	(25)	(25)	(25)	
45	Dwelling Houses Rent Income	(66,571)	(67,269)	(71,838)	26
46	Housing - Heat with Rent Income	(1,119)	(1,127)	(1,127)	27
47	Housing - Garages Rent Income	(970)	(977)	(977)	28
48	Housing - Parking Spaces Rent	(167)	(158)	(158)	28
49	Housing - Insurance Income	(36)	(36)	(36)	
50	Housing - Other Service Charge	(495)	(495)	(495)	28
51	Legal Expenses	(346)	(360)	(360)	
52	Revenue Balance Interest	(150)	(81)	(81)	29
	Income Total	(70,192)	(70,841)	(75,407)	
	Net Expenditure	0	0	0	
	Projected Working Balance at 1 April 2011			5,300	

HOUSING REVENUE ACCOUNT 2011/12 BUDGET

Variance Notes

Comparing Draft Budget 2011/12 to Estimated Out-turn 2010/11

Expenditure Movements

1. Rent

This budget is for the rent of Police Houses, Accommodation for Community Groups and Housing Offices these have been uplifted by 5.7% the anticipated rent increase.

2. Repairs and Maintenance

An analysis of the proposed budget is included within this booklet (pages 14 to 16).

3. Maintenance of Grounds

Maintenance of Grounds budget has two elements: Ground Maintenance cleansing/weed control, the budget for 2011/12 has been maintained at the 2009/10 Budget.

4. Gas

The Council is required to move on to Scottish Government National Procurement for Gas Supply from 1 April 2010 the contract price will be reviewed on an annual basis. The budget has been calculated using the actual expenditure for 2009/10.

5. Electricity

This is the first year of a four year electricity contract, therefore the budget has been calculated by using the 2009/10 consumption and the revised unit charge for both heat with rent and communal areas.

6. Cleaning Service

This budget is for the Communal cleaning. The cleaning contract commenced on 5 July 2010 and runs for three years, cost of cleaning included in the budget for 2011/12 is £520,000.

7. Security Service

This budget is for the Security Service which is anticipated to start in 2011/12, an anticipated cost of £444,000 is included.

8. Refuse Collection

This budget has been based on the actual expenditure for 2009/10.

9. Cleaning – Payments to Contractor

This is the budget for the cleaning of Sheltered Housing and has been calculated by using the actual for 2009/10 uplifted by 0.065%.

10. Premises Insurance

The budget for 2010/11 has been maintained at the 2010/11 level.

11. Other Property Costs – Council Tax on void properties

This budget is for the cost of Council Tax due on void properties. The actual for 2009/10 has been used and the assumption is that there will be no increase in Council Tax.

12. Downsizing Grants/Direct Debit Incentives

There are currently two schemes within this budget line these are Downsizing grants (£76,000) and Direct Debit Incentives (£2,000).

The Downsizing scheme provides assistance and a financial incentive to Council tenants occupying 3 + bedroom family properties in high demand areas, to move to smaller more suitable housing in order to increase the supply of large family housing.

The Direct Debit incentive scheme commenced on 5 April 2010, each month there will be a monthly draw for all new and existing direct debit payers for a weeks free rent.

13. Former Tenants Arrears

The budget has been maintained at the current budgeted level for 2010/11 this allows for potential savings in the level of arrears.

14. Management & Administration

The staffing budget is based on the current structure of the Housing Revenue Account no pay award allowance has been built into these calculation.

15. General Consultancy, Training for Front Line Staff, Benefits staff, Citizens Advice Bureau, Disabled persons Housing Service

All of the above budgets have had no uplifts assumed.

General Consultancy allows the Housing Revenue Account to fund one off consultancy expenditure, this could be for example work on the Housing Business Plan.

Training for Front line Staff allows for example Housing Assistants to participate in professional staff development programmes with the opportunity of gaining membership of the Chartered Institute of Housing.

The costs of the benefits staff are recharged from the benefits team within Social Care and Wellbeing for the time spent with Council House Tenants on maximising income and tackling financial exclusion.

The contribution to the Citizens Advice Bureau provides funding to the service at ARI/Woodend Hospitals for benefits, initially it was believed most of the patients using this service were Council House Tenants, this is being reviewed.

Disabled Persons Housing Service (Aberdeen) (DPHS). The DPHS is a charitable organisation that provides specialist information, advice and advocacy on housing matters to disabled people, their families and carers and professionals working in housing, social work, health and the voluntary sector.

Grant funding has previously been provided to DPHS it was agreed in 2010/11 that funding would run for a three year period and would cover core funding for the Development Officer's post, plus a portion of running costs. This will enable the DPHS to continue to develop and expand the range of services that it offers to people of Aberdeen, in line with the objectives set out within the Disability Action Group (DAG), DAG Homes Sub-Group Action Plan, the Local Housing Strategy and the Community Care Housing Strategy.

16. Tenants Participation

This is the budget allocated for the provision of the Tenants Participation, this includes the teams in each of the Areas also such items as Newsbite and training for tenant representatives.

17. Provision of meals

The actual expenditure for 2009/10 has been uplifted by 0.065% for the salary increases in 2010/11, this is for the provision of meals at Denmore and Kingswood extra care housing. The income for this service is contained in line 53 of the budget Housing Other Service Charge. The potential increase to this charge is contained in miscellaneous rents page 20. In addition the budget for 2011/12 includes £40k for the provision of meals in sheltered housing during the process of modernisation.

18. Integrated Housing System

This budget is based on the IT requirements for 2011/12 which includes all the support and maintenance costs.

19. Provision of Furniture

The Provision of Furniture was stopped in 2010/11 and the budget is not required for 2011/12.

20. Mediation Service & Energy Advice

For 2011/12 budgets have been maintained at 2010/11 levels. The Energy Advice budget is currently a payment to SCARF (Save Cash and Reduce Fuel). SCARF encourage the sustainable use of energy, achieving affordable warmth, eradicating fuel poverty and extending the life of natural energy resources across the North East of Scotland.

21. Aberdeen Families Project

This budget is used to fund the Aberdeen Families Project. The Families project is based in the area of Torry, provides intensive support and supervision to families (mainly council tenants) who are involved in serious antisocial behaviour which could result in their eviction and subsequent homelessness. The service aims to reintegrate tenants or former tenants who are homeless and have a history of not sustaining a satisfactory tenancy, back

into a tenancy without requiring intensive housing management. The budget has been maintained at 2010/11 levels.

22. Loss of Rent Council Houses

The budget is based on the estimated out-turn for 2010/11 as at the end of November 2010, uplifted by the assumed rent increase of 5.7%. The void trend in 2010/11 is still showing a small increase.

23. Supporting People Contribution

This budget is a contribution to cover the costs of providing the former Wardens salaries for people who were not in receipt of Housing Benefit as at 31 March 2003. The contribution in 2011/12 is based on the actual for 2009/10.

This does not reflect the costs associated with the former warden's salaries as this forms part of the General Fund.

24. Capital Financing Costs

This budget for the Capital Financing Costs has been provided by the Treasury Section in Corporate Governance based on the likely capital spend in 2010/11 as at the end of December 2010 and a possible future programme for 2011/12 of £50.276 million. It also assumes that the consolidated loans pool rate (the rate used to calculate debt charges) is 6%.

Income

25. Government Grant – General

This budget is grant income from the Scottish Government for the Hostel deficit funding and is the estimated level of funding for 2011/12 taking into account income from Housing Benefit.

26. Dwelling Houses Rent Income

The budgeted income from Dwelling House Rent is calculated by using a stock level of 22,639. This is estimated by taking the closing stock on 31 March 2010 of 22,764 (less projected sales of 100 in 2010/11, 50 in 2011/12 at an average rental of £65.94 (average £62.38 for 2010/11 +5.7% RPIX at November 2010 +1%) for 48 weeks.

27. Housing – Heat with Rent Income

A review was undertaken of the income and expenditure of Heat with Rent.

- Gas

The projected energy consumption and the new contract rates were provided by the Council's Energy Management Unit for each sheltered complex. As from the 1 April 2011 the Gas Supply is through Scottish Government National Procurement and will be reviewed on an annual basis. The energy used in the common rooms and guest rooms have been removed from the calculation as these costs are funded by rent pooling. The revised consumption has been multiplied by the agreed rate to be paid on the gas

contract. This gives an estimated cost in 2011/12 for gas heated properties on heat with rent of £482,331.

- **Electricity**
The projected energy consumption and rates were provided by the Council's Energy Management Unit for each sheltered complex. The four year electricity contract will start on 1 April 2011 at an increased rate of 100%. Reductions in the consumption were made for the common rooms and guest rooms as these costs are funded by rent pooling. The consumption has been multiplied by the agreed rate on the electricity contract. This gives an estimated cost in 2011/12 for electrically heated properties on heat with rent of £525,821.
- **Combined Heat & Power (CHP)**
Aberdeen Heat and Power have advised that there rate charged to Aberdeen City Council will be maintained at £8.30 per week for each property on CHP. This equates to an annual cost of £351,754.

28. Housing – Garages Rent Income, Housing Parking Spaces Rent, Housing – Other Service Charges

This line will move depending on the level that miscellaneous rents are set at, as covered on page 19. The current budget therefore assumes that there will be no increase at present.

29. Interest on Revenue Balances

This is akin to bank interest received on the HRA's cash flow during the year. Budget is based on anticipated rate of interest.

HOUSING REPAIRS DRAFT BUDGET		Approved Budget 2010/11 £'000	Projected Spend 2010/11 £'000	Base Budget 2011/12 £'000
PLANNED AND CYCLICAL MAINTENANCE				
1	External Joinerwork Repairs including external painterwork etc.	1,250	1,038	1,500
2	Boiler Maintenance – Sheltered Housing	200	240	248
3	Controlled Entry Systems – Maintenance	200	371	385
4	Fire Precautions - Servicing & Renewal of Equipment incl Smoke Detectors & Dry Risers	145	331	340
5	Flat Roofs/Dormers – Renewal & Insulation	15	14	15
6	Common Rooms – Replacement of Furniture	90	4	70
7	Gas Servicing, Maintenance and Repair	2,800	2,264	2,400
8	Laundry Equipment Replacement & Maintenance	45	63	65
9	Legionella Testing incl. Repair/Renewal of Tanks	150	54	150
10	Lift Maintenance	170	200	200
11	Mutual Repairs outwith Housing Action Areas	30	23	25
12	Pumps & Fans - Maintenance & Renewal	70	146	150
13	Sheltered Housing - Replacement of Carpets, furnishings etc	70	2	70
14	Standby Generators – Maintenance	55	110	112
15	Warden call systems- maintenance and Repair	90	53	90
16	Provision of Community Alarm	130	122	125
17	Environmental Improvements	1,250	441	1,500
18	Relets	3,817	5,113	5,000
19	Asbestos	300	678	600
Planned/Cyclical Maintenance Sub Total		10,877	11,266	13,045
DAY TO DAY RESPONSE MAINTENANCE				
20	Blacksmith General incl. Renewing & Repairing Rotary Driers/Handrails	280	294	300
21	Car Park Repairs	8	10	10
22	Chimneyheads - Repointing and Rebuilding	5	4	5
23	Condensation - Treatment of Walls	65	121	125
24	Electrical Work - General Repairs	1,510	997	1,030
25	Emergency Work - Out of Hours Service	620	738	700
26	External/Internal Response Paintwork	350	453	400
27	Fire Damage Repairs	50	39	45
28	Garage Repairs	25	15	20
29	Glazierwork	190	134	140
30	Joinerwork - General Repairs	2,850	2,132	2,200
31	Masonwork and Water Penetration Repairs	800	553	600
32	Minor Environmental Services	150	456	500
33	Plasterwork – General	300	328	350
34	Plumberwork – General	1,450	1,078	1,100
35	Slaterwork	900	804	810
36	Snow Clearance	51	51	52
37	TV Aerial	110	120	124
38	Rubbish Removal	100	242	150
39	Vandalism	250	154	175
40	Water Services Charges	10	10	10
Day to Day Response Maintenance Total		10,074	8,732	8,846
41	Chargeable Repairs		1,218	
42	Fees	1,800	1,640	1,640
TOTAL REPAIRS AND MAINTENANCE BUDGET		22,751	22,856	23,531

REPAIRS AND MAINTENANCE BUDGET 2011/12

General

The projected spend figures have been taken from invoicing up to June and the committed cost for jobs yet to be invoiced as at 10/1/11.

The commitment costs applied to response orders yet to be invoiced has been calculated from the average cost of repairs for each trade invoiced to June and then applied to the total number of jobs yet to be invoiced. An individual average cost per job, applied to response repairs only, for each trade this should provide a more accurate projection than an overall average cost across all trades.

Overall the projected spend indicates a 13% saving on day to day response maintenance. This is primarily due to the increase in productivity as a result of the introduction of mobile working across most of the building trades with the Electricians (Item 24), Glazier (29), Joiner (30), Mason (31), Plumber (34) and Slater (35) all projecting an underspend on approved budget. The planned and cyclical maintenance projects a slight overspend of 0.1% although this has required containing approved spend in some items to balance against overspend in others particularly Relets as explained below.

Specific Items

Planned and Cyclical Maintenance

Item 1: External Joinerwork Repairs including external painter work

Although an underspend is projected reducing expenditure on the external and/or internal fabric of a building e.g. extending external painterwork cycles can lead to can result in more expensive repairs later on – untreated woodwork, metalwork etc. It is recommended that the budget be increased.

Item 3: Controlled Entry Systems

The projected increase in spend on Controlled Entry Systems as this now includes the costs associated with the maintenance of CCTV systems

Item 4: Fire Precautions

The increase in the Fire Precautions expenditure is a result of the additional work now being required to repair and/or replace hard wired smoke detectors.

Item 17: Environmental Improvements

The Environmental Improvements budget which includes such items as crime prevention, bird proofing, sound proofing etc was transferred from Capital to Revenue repairs last year and although there has been some spend this year it was well below the approved figure. The reason for this has been twofold, firstly the predicted high spend on Relets (see next item), this was recognised at an early stage and was in part offset against

the environmental budget to prevent a large overspend on total budget. Secondly although as stated there has been minimal spend information on a number of possible projects have been identified during scheme inspections/ visitations for inclusion as future environmental improvements. Amongst the issues being proposed is the replacement of current high maintenance chain link fencing throughout the city.

Item18: Relets

The Relets projected spend is well above budget due primarily to the increase in the number of properties now being allocated as Homeless properties. The initial upgrade to these properties and the high frequency of turnover has increased the spend on relets significantly throughout 2010/11. Of the projected spend on Relets 18% is attributed to homeless properties.

Response Maintenance

Item 32: Minor Environmental Services

The main contributory factor to the increase in expenditure is the requirement under Health and Safety and the Council's duty of care to ensure safe working practices relating to working at heights. In this respect the cost of scaffolding has been recorded against environmental services. The cost of scaffolding tend to rise and fall in line with demand on slaterwork.

	Management & Admin		Proposed	
		Budget	Budget	
		2010/11	2011/12	Notes
		£000's	£000's	
	Staff Costs			1,2
1	APT&C C.O – Salaries	6,674	5,615	
2	APT&C C.O – Overtime	110	68	
3	APT&C C.O – Superannuation	1,213	995	
4	APT&C C.O - N.I	465	473	
5	General Manual – Salaries	437	625	
6	General Manual – Overtime	7	0	
7	General Manual - Superannuation	83	85	
8	General Manual - N.I	24	47	
9	Other Staff Costs	290	231	
		9,303	8,139	
	Premises Costs			2
10	Rates	327	90	
11	Rent	582	29	
12	Insurance	3	2	
13	Electricity/Gas	218	77	
14	Void Properties	230	10	
15	Rubbish Removal	64	7	
16	Cleaning	56	41	
17	Repairs and Maintenance	105	32	
		1,585	288	
	Administration Costs			2
19	Printing	106	80	
20	Photocopying	20	18	
21	Stationery	29	27	
22	Subscriptions	16	16	
23	Postages	80	77	
24	Telephones	32	28	
25	Bank Charges(inc Cash in transit	36	35	
26	Advertising	63	63	
27	Course Expenses	99	94	
28	Legal Expenses	9	9	
29	Former Tenants Arrears	193	3	
30	Insurances	1	1	
		684	451	3

			Proposed	
		Budget	Budget	
		2010/11	2011/12	
		£'000	£'000	
	Transport Costs			3
31	Travel Costs	102	97	
		102	97	
	Supplies & Services			3
32	Equipment Purchases	51	35	
33	Computer Software Support	18	18	
34	Office Equipment	7	8	
35	Books & Newspapers	1	0	
36	Sundry Outlays	105	100	
		182	161	
	Corporate/Directorate Recharge			
38	Corporate/Directorate Recharges	1,938	2,251	4
		1,938	2,251	
	Expense Total	13,794	11,387	
	Income			
	Recharges:-			
39	Management & Admin – HRA	(8,204)	(8,370)	
42	Tenants Participation – HRA	(401)	(288)	
44	Supporting People	(220)	0	2
45	Other Housing	(273)	(287)	
46	Homeless Persons	(2,247)	(474)	2
47	Housing Capital	(1,496)	(1,209)	
48	Social Work	(73)	0	2
		(12,914)	(10,628)	
49	Fees & Charges	(880)	(760)	
	Income Total	(13,794)	(11,387)	
	Net Expenditure	0	0	

MANAGEMENT AND ADMINISTRATION BUDGET

Variations and Notes

The 2011/12 budget for management and administration on the existing structure of Housing which will be subject to change.

1. Staff Costs

Staff costs have been increased to reflect annual salary increments and increases in employers' Superannuation and National Insurance costs. Included within this budget are an element of the Corporate Director and Heads of Service for Housing and Environment.

2. General Note

The decreases throughout the Management & Administration Budget reflect the removal of the Homeless and Young Single Homeless, these are now charged directly to the General Fund.

3. Administration Costs, Transport Costs, Supplies and Services

All the above budgets have been maintained at the level for 2009/10.

4. Corporate/Directorate Charges

This budget is based on the current services being provided to Housing and may be subject to change, this covers such services as Legal, Finance, Office Accommodation, IT.

ABERDEEN CITY COUNCIL HOUSING REVENUE ACCOUNT					
Proposed Increase to be included in the HRA budget - Miscellaneous Rents					
	2 0 1 1 / 2 0 1 2				
	Current	Proposed	Increase	Percentage	Additional
	Rental	Rental	Per Week	Increase	Income
Miscellaneous Increases	£	£	£	%	£
Garages	8.10	8.50	0.40	4.94%	40,858
Denburn and West North Street Spaces	4.20	4.40	0.20	4.76%	6,019
Garages Sites	3.20	3.40	0.20	6.25%	10,168
Car Ports	3.60	3.80	0.20	5.56%	1,382
Car Parking Spaces	3.20	3.40	0.20	6.25%	8,256
Parking Spaces Commercial	10.28	10.90	0.62	6.03%	1,220
Window Cleaning	0.80	0.85	0.05	6.25%	396
Meals at Denmore & Kingswood	32.80	35.00	2.20	6.71%	9,038
Mortgage Reference Fees	55.00	56.00	1.00	1.82%	28
Guest Rooms	14.50	15.30	0.80	5.52%	2,053
Owners Administration fees	10.05	10.05	0.00	0.00%	0
					79,417
TOTAL ADDITIONAL INCOME NOT INCLUDED IN THE BASE BUDGET					
General Services					
Housing - Homeless Account					
Homeless Flats – Service Charge	250.33	250.33	0	0.00%	0
Single Homeless	76.00	80.00	4.00	5.26%	1,152
Clinterty Caravan Site	70.00	74.00	4.00	5.71%	6,048
					7,200
Housing Revenue Account					
Accommodation Units (Grant Funded)					
Adult (first2)	48.00	51.00	3.00	6.25%	41,250
Child	32.00	34.00	2.00	6.25%	13,750
					55,000

Heat with Rent – 48 week basis		
	Previous	Proposed
	£	£
Gas Heated Properties		
Bedsits	7.35	8.53
1 bedroomed flats	7.85	9.11
2 bedroomed flats	8.35	9.68
3 bedroomed flats	8.85	10.27
Electrically Heated Properties		
Bedsits	8.35	9.68
1 bedroomed flats	8.85	10.27
2 bedroomed flats	9.35	10.85
3 bedroomed flats	9.85	11.43
CHP Properties		
All 1 Bedroomed Properties	7.60	8.82
All 2 Bedroomed Properties	8.10	9.40
All 3 Bedroomed Properties	8.60	9.98

Heat with Rent calculations for 2011/12

Electricity and Gas price increases have resulted in a cost pressure to the Council of £242,882 (comparing 2010/11 cost with the estimated cost in 2011/12).

It is proposed to apply an overall **increase of 16%** across all the Council's Heat with Rent properties these are detailed on Page 21.

This would generate sufficient income to just about break even between the costs to the Council of providing the electricity, gas and Combined Heat with Power charges for the heating in these dwellings.

Type of heating	Estimated cost to Council	Estimated income to cover costs
Electric or oil	£482,331	£372,020
Gas	£525,822	£569,303
CHP	£351,754	£367,571
Total	£1,359,906	£1,308,896

After March 31st, Aberdeen City Council will move on to new contracts for both gas and electricity supplies. There has been a significant increase in the cost of electricity supplied, a small decrease in the cost of gas and CHP has agreed to maintain the charge at the 2010/11 level.

There are a number of factors behind the electric price increase:

Electric prices have risen significantly since the last procurement process in 2007, (because ACC have had a constant price over last 3 years tenants have been protected from this)

The price given is guaranteed for a 4 year period. It is expected that electric prices will rise again over this time period. Prices received through tender process will reflect this.

The Council is required to move on to Scottish Government National Procurement for Gas Supply from 1 April 2010 the contract price will be reviewed on an annual basis.

Heat with Rent applies to all Council owned sheltered housing schemes, and to all flatted blocks with communal heating systems.

Because the Council purchases a large amount of gas and electricity each year through contracts that cover all of its buildings – that is schools, offices, day centres and all the homes on Heat with Rent - the Council can buy these fuels at lower contract prices than would be available to individual domestic customers. These fuel price savings are then passed on to tenants who are on Heat with Rent.

As the charge is the same every week, tenants on Heat with Rent are not faced with the problem of having to pay large gas or electric bills during the colder winter months.

ABERDEEN CITY COUNCIL									
HOUSING REVENUE ACCOUNT									
Proposed Increase to be included in the HRA budget									
Owners Charges									
	Total no of flats in complex	Owners liable for Charge	Electricity	Cleaning	Lifts Maintenance	Admin	Total Charge	Current 2010/11	Difference
Ashgrove Court	40	2	64.63	46.00	19.82	3.37	133.82	125.79	8.03
Aulton Court	113	15	29.34	32.35	19.82	3.37	84.88	79.79	5.09
Balgownie Court	66	12	38.84	49.61	19.82	3.37	111.64	96.91	14.73
Bayview Court	111	8	28.65	32.93	19.82	3.37	84.78	73.04	11.74
Beachview Court	111	8	25.29	32.93	19.82	3.37	81.41	78.54	2.88
Beechwood Court	72	1	25.13	50.97	19.82	3.37	99.09	86.99	12.10
Bruce House	46	6	49.53	54.59	19.82	3.37	127.31	121.79	5.52
Cairncry Court	94	20	55.04	33.21	19.82	3.37	111.43	104.04	7.39
Cornhill Court	100	25	51.08	32.74	19.82	3.37	107.01	96.54	10.47
Davidson House	46	15	51.57	54.59	19.82	3.37	129.34	118.79	10.56
Denburn Court	120	40	46.08	30.46	19.82	3.37	99.74	83.29	16.45
Grampian Court	52	4	28.40	57.09	19.82	3.37	108.69	98.91	9.78
Grandholm Court	72	0	33.79	50.77	19.82	3.37	107.75	102.16	5.59
Gilcomstoun Land	75	34	50.76	31.45	19.82	3.37	105.39	117.54	-12.15
Greig Court	144	26	42.04	25.39	19.82	3.37	90.61	76.91	13.71
Hutcheon Court	140	28	34.24	21.21	19.82	3.37	78.64	82.04	-3.40
Inverdon Court	66	17	39.70	49.61	19.82	3.37	112.50	108.16	4.34
Kincorth Land	52	10	72.03	54.16	19.82	3.37	149.37	113.41	35.96
Kings Court	72	3	31.45	50.77	19.82	3.37	105.41	207.16	-101.74
Linksfield Court	111	3	27.36	32.93	19.82	3.37	83.49	71.66	11.83
Marischal Court	108	7	21.31	30.00	19.82	3.37	78.16	75.83	2.33
Morven Court	52	3	40.08	57.09	19.82	3.37	120.37	101.91	18.46
Oldcroft Court	72	7	19.59	50.77	19.82	3.37	93.55	81.91	11.64
Porthill Court	72	13	11.24	28.52	19.82	3.37	62.94	92.04	-29.10
Promenade Court	111	8	30.01	32.93	19.82	3.37	86.13	77.16	8.97
Regent Court	111	10	28.96	32.93	19.82	3.37	85.08	70.29	14.79
Rose House	46	14	33.97	54.59	19.82	3.37	111.75	116.04	-4.29
Rosehill Court	94	15	58.13	33.21	19.82	3.37	114.52	96.29	18.23
Seamount Court	126	38	21.89	29.00	19.82	3.37	74.10	93.66	-19.56
Stockethill Court	100	33	55.36	32.74	19.82	3.37	111.29	94.54	16.75
St Ninian Court	66	9	53.24	49.61	19.82	3.37	126.03	105.04	20.99
Tillydrone Court	52	1	43.52	54.16	19.82	3.37	120.87	108.04	12.83
Thistle Court	126	46	38.48	24.77	19.82	3.37	86.44	81.29	5.16
Virginia Court	48	12	61.39	42.77	19.82	3.37	127.35	127.04	0.31
Wallace House	46	6	29.50	54.59	19.82	3.37	107.28	118.79	-11.51
Total		499							
Proposed charges would be effective from 1 April 2011 to 31 March 2011									
Potential Increases stated in the above calculation -									
The Electricity reflects the consumption for each multi storey in the previous financial year									
Lift Maintenance has been uplifted by 18%									
Admin Costs based on actual staff costs.									

Other Local Authorities
Average Rent Levels 2010/11

No		2010/11 £
1	Edinburgh, City of	74.62
2	Highland	66.06
3	Renfrewshire	65.29
4	Shetland	63.58
5	West Lothian	62.49
6	Dundee	62.44
7	Aberdeen	62.38
8	East Dunbartonshire	61.50
9	North Ayrshire	60.17
10	Stirling	59.28
11	South Lanarkshire	59.14
12	Orkney	57.77
13	Aberdeenshire	57.64
14	Clackmannanshire	56.80
15	East Ayrshire	56.72
16	North Lanarkshire	56.72
17	Perth & Kinross	56.64
18	South Ayrshire	56.59
19	West Dunbartonshire	56.47
20	East Renfrewshire	56.23
21	Falkirk	55.87
22	Fife	55.27
23	Midlothian	52.57
24	Angus	51.58
25	East Lothian	47.40
26	Moray	45.40

Based on 48 weeks

Glasgow Housing Association £66.82 (based on 48 weeks)

ABERDEEN CITY COUNCIL Tenants Consultation

Aberdeen City Council is committed to ensuring that tenants' views are both sought and listened to. As part of the review on the future of the Council housing stock, a tenant referendum was held to determine what the views of tenants was.

The tenants voted overwhelmingly to retain the Council as their landlord in 2002, provided that continued improvements were made to the housing stock. In 2004, the Council adopted a Housing Business Plan approach. This has allowed us to plan for the future. This has meant large rent increases over the last four years has allowed the Council to speed up the Capital Programme and build a foundation for future investment in Council homes.

Further, a questionnaire was sent out to tenants along with Newsbite in December 2010 to ascertain views on the possible rent increase inflation plus 1%. Below shows the result of the questionnaire.

ANNUAL RENT CONSULTATION – Feedback

Do you agree that the rent policy, inflation + 1%, should be continued to maintain investment in our housing stock and improve services?

	Returns	Percent
Yes	478	76
No	149	24
Don't know	0	0
Total	627	100

	Housing Revenue Account	Budget	Budget	Budget	
		20011/12	2012/13	2013/14	
		£'000	£'000	£'000	
	Agencies				
27	Mediation Service	98	98	100	
28	Energy Advice	81	81	83	
29	Citizens Advice Bureau	14	14	14	
30	Disabled Persons Housing Service	38	38	39	
		231	231	236	
	Transfer Payments				
31	Aberdeen Families Project	400	400	400	
32	Loss of Rent - Council Houses	758	780	803	
33	Loss of Rent - Garages, Parking etc	160	160	160	
34	Loss of Rent - Modernisation Works	51	52	54	
35	Supporting People Contribution	406	406	406	
36	CFCR	13,925	11,712	8,350	
		15,700	13,510	10,173	
	Capital Financing Costs				
37	Loans Fund Instalment	3,560	4,643	5,663	
38	Loans Fund Interest	12,429	14,458	15,854	
39	Heating Leasing Payment	131	131	131	
		16,120	19,232	21,648	
	Expense Total	75,408	77,139	77,669	
	Income				
40	Government Grant – General	(310)	(310)	(311)	
41	Ground Rentals	(25)	(25)	(25)	
42	Dwelling Houses Rent Income	(71,838)	(73,570)	(74,099)	5
43	Housing - Heat with Rent Income	((1,127))	((1,127))	((1,127))	
44	Housing - Garages Rent Income	(977)	(977)	(977)	
45	Housing - Parking Spaces Rent	(158)	(158)	(158)	
46	Housing - Insurance Income	(36)	(36)	(36)	
47	Housing - Other Service Charge	(495)	(495)	(495)	
48	Legal Expenses	(360)	(360)	(360)	
49	Revenue Balance Interest	(81)	(81)	(81)	
	Income Total	(75,407)	(77,139)	(77,669)	
	Net Expenditure	0	0	0	
	Minimum Working Balances	(3,770)	(3,856)	(3,883)	

HOUSING REVENUE ACCOUNT THREE YEAR BUDGET ASSUMPTIONS

1. Repairs and Maintenance

The analysis of the three year budget is included within this booklet (page 30). The budget has been uplifted by 4.3% in 2012/13 and 5% in 2013/14.

2. Maintenance of Grounds

No uplift has been applied for 2012/13 and 2% 2013/14.

3. Gas, Electricity

A four year electricity contract will commence on 1/04/11 therefore the electricity costs will only vary if consumption varies. From 1/04/11 the Gas supply will be through the Scottish Government National Procurement, these process will be reviewed annually, in 2012/13 no uplift has been applied however in 2013/14 a 5% uplift has been applied.

4. Management & Administration

As this budget is principally for staffing therefore no uplift has been applied for 2012/13 and 2% 2013/14.

5. Dwelling Houses Rent Inc

The budgeted income from Dwelling House Rent is calculated by using the following stock levels 2012/13 22,719 and 2013/14 22,680. Built into these stock levels are projected sales, new build and properties removed off the charge. The average rental has been increased by 2.9% in 2012/13 and 3% in 2013/14. The RPIX figures used are estimates for 2012/13 were provided by Sector issued in January 2010.

HOUSING REPAIRS DRAFT BUDGET		Base Budget 2011/12 £'000	Base Budget 2012/13 £'000	Base Budget 2013/14 £'000
PLANNED AND CYCLICAL MAINTENANCE				
1	External Joinerwork Repairs including external paintwork etc.	1,500	1,460	1,533
2	Boiler Maintenance - Extra Care Housing	248	259	272
3	Controlled Entry Systems – Maintenance	385	402	422
4	Fire Precautions - Servicing & Renewal of Equipment incl Smoke Detectors & Dry Risers	340	355	372
5	Flat Roofs/Dormers – Renewal & Insulation	15	16	16
6	Common Rooms - Replacement of Furniture	70	31	33
7	Gas Servicing, Maintenance and Repair	2,,400	2,503	2,628
8	Laundry Equipment Replacement & Maintenance	65	68	71
9	Legionella Testing incl. Repair/Renewal of Tanks	150	104	110
10	Lift Maintenance	200	209	219
11	Mutual Repairs outwith Housing Action Areas	25	26	27
12	Pumps & Fans - Maintenance & Renewal	150	156	164
13	Extra Care Housing - Replacement of Carpets, furnishings etc	70	31	33
14	Standby Generators – Maintenance	112	117	123
15	Warden call systems- maintenance and Repair	90	94	99
16	Provision of Community Alarm	125	130	137
17	Environmental Improvements	1,500	1,043	1,095
18	Relets	5,000	5,215	5,476
19	Asbestos	600	626	657
Planned/Cyclical Maintenance Sub Total		13,045	13,606	14,286
DAY TO DAY RESPONSE MAINTENANCE				
20	Blacksmith General incl. Renewing & Repairing Rotary Driers/Handrails	300	313	329
21	Car Park Repairs	10	10	11
22	Chimneyheads - Repointing and Rebuilding	5	5	5
23	Condensation - Treatment of Walls	125	130	137
24	Electrical Work - General Repairs	1,030	1,074	1,128
25	Emergency Work - Out of Hours Service	700	730	767
26	External/Internal Response Paintwork	400	417	438
27	Fire Damage Repairs	45	47	49
28	Garage Repairs	20	21	22
29	Glazierwork	140	146	153
30	Joinerwork - General Repairs	2,200	2,086	2,190
31	Masonwork and Water Penetration Repairs	600	626	657
32	Minor Environmental Services	500	417	438
33	Plasterwork – General	350	365	383
34	Plumberwork – General	1,100	1,147	1,205
35	Slaterwork	810	834	876
36	Snow Clearance	52	54	57
37	TV Aerial	124	129	136
38	Rubbish Removal	150	156	164
39	Vandalism	175	183	192
40	Water Services Charges	10	10	11
Day to Day Response Maintenance Total		8,846	9,226	9,688
HOUSING REPAIRS TOTAL		21,891	22,832	23,974
	Fees	1,640	1,640	1,640
TOTAL REPAIRS AND MAINTENANCE BUDGET		23,531	22,472	25,614

	Management & Admin			
		Budget	Budget	Budget
		2011/12	2012/13	2013/14
		£000's	£000's	£000's
	Staff Costs			
1	APT&C C.O – Salaries	5,615	5,615	5,727
2	APT&C C.O – Overtime	68	68	69
3	APT&C C.O – Superannuation	995	995	1,015
4	APT&C C.O - N.I	473	473	482
5	General Manual – Salaries	625	625	638
6	General Manual – Superannuation	85	85	87
7	General Manual - N.I	47	47	48
8	Other Staff Costs	231	231	236
		8,139	8,139	8,302
	Premises Costs			
9	Rates	90	90	92
10	Rent	29	29	30
11	Insurance	2	2	2
12	Electricity/Gas	77	77	79
13	Void Properties	10	10	10
14	Rubbish Removal	7	7	7
15	Cleaning	41	41	42
16	Repairs and Maintenance	32	32	33
		288	288	294
	Administration Costs			
17	Printing	80	80	82
18	Photocopying	18	18	18
19	Stationery	27	27	28
20	Subscriptions	16	16	16
21	Postages	77	77	79
22	Telephones	28	28	29
23	Bank Charges	35	35	36
24	Advertising	63	63	64
25	Course Expenses	94	94	96
26	Legal Expenses	9	9	9
27	Former Tenants Arrears	3	3	3
28	Insurances	1	1	1
		451	451	460

	Budget	Budget	Budget
	2011/12	2012/13	2013/14
	£'000	£'000	£'000
Transport Costs			
Travel Costs	97	97	99
	97	97	99
Supplies & Services			
Equipment Purchases	35	35	36
Computer Software Support	18	18	18
Office Equipment	8	8	8
Sundry Outlays	100	100	102
	161	161	164
Corporate/Directorate Recharge			
Corporate/Directorate Recharge	2,251	2,251	2,337
	2,251	2,251	2,337
Expense Total	11,387	11,387	11,656
Income			
Recharges:-			
Management & Admin – HRA	(8,370)	(8,370)	(8,370)
Tenants Participation – HRA	(288)	(288)	(314)
Hostel Deficit Funding	(310)	(310)	(316)
Recharges to Other Housing	(287)	(287)	(293)
Recharges to Homeless	(164)	(164)	(167)
Housing Capital	(1,209)	(1,209)	(1,233)
	(10,628)	(10,628)	(10,881)
Hostel – Rents	(760)	(760)	(775)
Income Total	(11,387)	(11,387)	(11,656)
Net Expenditure	0	0	0

Draft Housing Capital Budget 2010/11 to 2012/13

Project	2011/12	2012/13	2013/14
	£'000	£'000	£'000
SCOTTISH HOUSING QUALITY STANDARDS			
1 Compliant with the tolerable standard			
1.1 B.T.S Houses	50	50	380
For the refurbishment works to below tolerable standard properties			
1.2 H.A.A. Council Flats	50	50	100
For the refurbishment works to properties in the Housing Action Area			
	100	100	480
2 Free from Serious Disrepair			
2.1 Primary Building Elements			
Structural Repairs Multi Storey	3,603	2,945	2,000
Multi Storey blocks are surveyed on a 5-7 year cycle to identify any works required to the structure of the buildings in order to keep the buildings safe and prolong their life.			
Structural Repairs General Housing	1,210	1,150	800
Structural works carried out in order to keep the building stable and structurally sound.			
Secondary Building Elements			
2.2 Upgrading Of Flat Roofs General	150	150	350
Replacement of existing roof covering and upgrading of insulation to meet current building regulations.			
2.3 Upgrade Flat Roofs Multi Storey	700	510	550
Full replacement of the flat roofs and also checking the replacement of roof ventilation as required			
2.4 Major Repairs-	500	500	700
Roofs Renewal/Gutters/RWP/Roughcast			
Undertaking large scale repairs to Roofs/Gutters/RWP/Roughcast			
2.5 Mono Pitched Types	500	250	500
Replacement of the external render of the building, replacement of gutters and downpipes, environmental works			
2.6 Window Replace General	800	600	900
A rolling programme of double glazing where previously single glazing, or replacing existing double glazing to meet current standards. This is based on a cyclical programme.			
2.7 Window Replace Multi Storey	400	400	450
A rolling programme to replace existing double glazing to meet current standards. This is based on a cyclical programme.			
2.8 Balcony Storm Doors	60	60	60
Replacement of existing doors with more secure, solid doors			
2.9 Balcony Glass Renewal - Multi Storey	90	90	90
Replacement of existing balcony glazing on a cyclical basis			
	8,013	6,655	6,400

	2011/12	2012/13	2013/14
	£'000	£'000	£'000
3 Energy Efficient			
<u>Effective insulation</u>			
3.1 General Houses Loft Insulation	0	220	220
Installation of loft insulation where there is none previously or the topping up of existing insulation to comply with current building regulations.	50	50	50
<u>Efficient Heating</u>			
3.3 Heating Systems Replacement	4,300	4,950	4,950
Replacement of boiler/whole system as deemed necessary.			
3.4 Medical Need Heating	10	10	50
Installation of gas/electric heating depending on the medical assessment. This can be installing a completely new system, modifying or extending an existing system.			
3.5 Energy Efficiency Multi Blocks	3,220	2,220	220
Contribution to Aberdeen Heat & Power for the creation of Combined Heat & Power Plants			
3.6 Energy Efficiency Sheltered	200	200	250
Introduction of energy efficiency measures in extra care housing such as new or upgraded heating systems.			
<u>Additional Energy Efficiency measures</u>			
3.7 S.C.A.R.F	35	35	35
Payment to SCARF for work carried out by them under the Energy Efficiency programme to individual council properties. The work carried out includes the installation of loft insulation, Draughtproofing and compact fluorescent bulbs. Also, providing tenants with energy efficiency advice and information.			
3.8 Solid Wall Insulation	50	50	150
Installation of solid wall insulation where there was none previously.			
3.9 Vestibule Doors	15	15	15
Installation of new doors where there were none before.			
	<hr/>	<hr/>	<hr/>
	7,880	7,750	5,940
4 Modern Facilities & Services			
<u>Bathroom and Kitchen Condition</u>			
4.1 Modernisation Programme	18,070	16,401	12,894
Replacement of bathrooms and kitchens.			
	<hr/>	<hr/>	<hr/>
	18,070	16,401	12,894
5 Healthy, Safe & Secure			
<u>Healthy</u>			
5.1 Condensation Measures	50	50	50
Installation of heating systems and ventilation measures to combat condensation.			
<u>Safe</u>	0	0	300
5.2 Smoke Detectors in Dwellings			
5.3 Rewiring	1,100	1,000	1,100
Replacement of cabling, fittings and distribution boards as necessary. This work is carried out in every property on a cyclical basis			
5.4 Lift Replacement Multi Storey/Major Blocks	600	600	1,000
Replacement of lifts where they are beyond economical repair. This can be full replacement or replacement of specific parts of the lift.			

	2011/12	2012/13	2013/14
	£'000	£'000	£'000
Healthy, Safe & Secure (continued)			
5.6 Services	50	50	200
Cyclical maintenance/replacement of the following services			
Ventilation Systems, water tanks/pipework, refuse chutes/chamber, Dry risers systems, Standby Generators			
5.7 Entrance Halls/Concierge	50	50	175
Provision of security service - under discussion			
5.8 Laundry Facilities	75	50	150
Replacement of laundry equipment			
5.9 Lighting Of Common Stairs	10	10	10
Installation of lighting controlled by photo cell ie. switches on and off automatically depending on the level of natural light.			
5.10 Provision Of External Lighting	26	26	26
Installation of lighting in areas where there was none before.			
<u>Secure</u>			
5.11 Door Entry Systems	40	40	40
Installation of door entry and replacement of existing doors where required			
5.12 Replace Door Entry Systems - Major Blocks	240	200	200
Installation of door entry and replacement of existing doors where required			
5.13 Other Initiatives	900	400	800
Upgrading of stairs and installation of security doors and door entry systems			
5.14 Crime Prevention/Safety Features	0	0	200
	3,141	2,476	4,401

NON SCOTTISH HOUSING QUALITY STANDARDS

6 Community Plan & Single Outcome Agreement			
6.1 Housing For Varying Needs	0	0	2,000
New build including extra care housing.			
6.2 S.U.R.E.	200	150	1,200
Refurbishment of properties or environmental improvements in designated areas.			
6.3 Regeneration/Affordable Housing	400	400	2301.6
Early Action projects linked to Regeneration and Masterplanning Briefs for Regeneration & provision of consultation events.			
6.4 Acquisition of Land/Houses	1,200	1,200	800
Acquisition of Land/Houses for the new build programme			
6.5 CCTV – Concierge	150	150	150
Provision of CCTV for the new Concierge service			
6.6 Adaptations Disabled	1,450	1,250	1,250
Installation of level access showers, ramps, stair lifts and kitchen adaptations			
6.7 Special Initiatives/Barrier Free Housing	250	250	150
Provision of specialist facilities or housing for tenants with particular needs ie extensions			
6.8 Housing For Varying Needs- Amenity/Adaptations	350	200	700
Conversion of properties to Amenity Level standard			
6.9 Housing For Varying Needs- Extra Care/Adaptations	170	170	1,020
Adaptations required to ensure existing sheltered housing stock meets current standards			
6.10 Roads	150	150	180
Upgrade of Roads to an adoptable standard			
6.11 Paths	150	150	150
Formation or upgrading of paths			
6.12 Garages	50	50	220
Upgrade of Garages			
6.13 New Affordable Housing	7,767.78	236.78	1,210
	12,287.78	4,356.78	11,331.6

	2011/12	2012/13	2013/14
	£'000	£'000	£'000
7 Service Development			
7.1 Conditions Surveys	50	50	150
Surveying of Council houses to identify failures against Scottish Housing Quality Standard			
7.2 Property Database	200	100	200
Various items of IT equipment including hardware and software			
7.3 Integrated Housing System	100	100	100
Various purchase of PC's and software packages			
7.4 Corporate IT			
	<u>350</u>	<u>250</u>	<u>450</u>
9 Service Expenditure			
Corporate Fees	6,970	6,706	7,399
	<u>6,970</u>	<u>6,706</u>	<u>7,399</u>
Gross Programme	<u>56,812</u>	<u>44,694</u>	<u>49,295</u>
Less Slippage	(6,536)	(5,141)	(5,670)
Net Programme	50,276	39,553	43,625
Financed by :-			
Borrowing	33,351	27,841	34,345
Scottish Government Grant Funding – New Build	3,000	0	930
CFCR (Capital Financed From Current Revenue)	13,925	11,712	8,350
Total Funding	<u>50,276</u>	<u>39,553</u>	<u>43,625</u>

SAVINGS PROPOSALS

The following list of efficiency savings has been identified and can be delivered during the financial year 2011/2012.

The Logie office has been closed and Cornhill will be closed	£ 50k
Reduce the cleaning payments to internal contractors	£ 13k
Reduce legal expenses	£100k
Reduce tenant participation costs	£ 50k
Integrated housing system	£ 50k
Void rent loss (houses and garages)	£100k
ASBIT team	<u>£ 50k</u>
TOTAL	<u>£413k</u>