

Housing Revenue Account Budget Protocol

The purpose of this protocol is to:

- **identify the key stages** in the preparation of the 30 Year Business Plan and Annual Budget;
- commit the Council to consultation with tenants affected by the proposal in order to comply with the Council's statutory duties under Section 25 (4) of the Housing (Scotland) Act 2001,
- ensure that Elected Members are supported to comply with the Council's **statutory duties** under the Equality Act 2010 at the Council's statutory budget setting meeting of Council;
- provide clarity on the roles and responsibilities of Elected Members, officers and the tenants, in the approval of the Council's HRA budget; and
- ensure that the Council will set its Council House Rent each year as required by law.

Q1	Q2	Q3	Q4
<ul style="list-style-type: none">• Analysis of previous years demand data• Initial refresh of the 30 Year Business Plan• Begin Partnership Engagement	<ul style="list-style-type: none">• Elected member engagement• Incorporate Integrated Asset Management Plan into the 30 Year Business Plan• Housing Board discuss and approve the Tenant consultation questions• Prepare 30 Year Business Plan report	<ul style="list-style-type: none">• Report 30 Year Business Plan to Council• Undertake Tenant Consultation• Prepare and Issue Budget Report to Council• Submission of elected member budgets to Chief Officer Finance• Publish elected member budgets• APPROVE BUDGET	<ul style="list-style-type: none">• Notification to Tenants and system updated for rental charges agreed at Council

During **Quarter 1 (April, May, June)**, will see the analysis of the previous financial year Housing Capital and Revenue actuals alongside the relevant demand data in order to start refreshing the 30 Year Business Plan. Tenant Engagement process agreed with Housing Board. There will be initial engagement with Elected members.

Within **Quarter 2 (July, August, September)**, the Integrated Asset Management Plan will be incorporated into the refreshed 30 Year Business Plan. Elected member engagement in this period with Officers will involve the potential rent increases and related service standards. Work will be undertaken to prepare the consultation questions, and these will be discussed and approved by the Housing Board. The 30 year business plan report will be prepared for the October Council meeting. The purpose of this engagement will be to understand the risks, opportunities and possible impacts of rental increases on tenants. Integrated Impact Assessments (IIAs) will form part of each potential change in service standard to help ensure that full consideration is given to protected characteristics, and this will be updated throughout the process.

Quarter 3 (October, November, December) will see completion of tenant consultation on potential rent increases. This will detail the impacts on protected characteristics and allow the completion of the IIA for the budget. Finalisation of Council Report includes working with

elected members to prepare HRA Budgets for debate at December Council meeting.

Quarter 4 (January, February and March) will see the notification to tenants and system changes for the updated rent to be applied to the New Year.

Budget Preparation by Elected Members

Budget packs will be issued and Elected Members will begin the process of preparing their budgets with support from the Chief Officer - Finance. The following stages will then be completed:

1. Eight working days prior to the Council meeting, agenda papers (including the rental increase) will be published. This is ahead of the statutory deadline for the publication of Council papers (e.g. for a Wednesday meeting, agenda papers must be published on the Friday, twelve calendar days prior to the meeting).
2. By noon on the 4th working day prior to the date of the meeting (e.g. for a Wednesday meeting, such submission must take place by noon on the preceding Thursday), Elected Members will submit their proposed budgets to the Chief Officer – Finance, complying with the requirements for a Housing Revenue Account Budget listed below. This is referenced in Standing Order 29.2.
3. Elected Members will work with the Chief Officer – Finance to make adjustments required to ensure the competency of their budgets; and with the Chief Officer – People and Citizen Services to finalise equalities impact assessments. The Chief Officer – Finance will undertake a financial resilience assessment of each budget.
4. Elected Members will provide their final competent budget and final sign-off for publication to the Chief Officer – Finance, complying with the requirements for a Housing Revenue Account Budget listed below by no later than 10am on the last working day before the meeting (e.g. for a Wednesday meeting, such sign-off will be given no later than 10am on Tuesday).
5. The Chief Officer – Governance will publish all competent budgets no later than noon on the last working day before the meeting (e.g. for a Wednesday meeting, such publication will take place no later than noon on Tuesday).
6. Only budgets published following these stages will be considered at the Budget Meeting.

Approval of budget

Elected members must read the report and all the papers that have been appended (including the IIAs), which are all relevant to the decisions they are about to make. Elected members must have enough information so that they can give due regard to how the decisions impact people with protected characteristics, and so that it can be recorded and evidenced that they have done so and that they have considered any mitigatory measures. The requirements for a Housing Revenue Account Budget are that each Elected Member/group must submit by no later than 10am on the last working day before the meeting:

- a. The rental increase and proposals they plan to have implemented to balance the Housing Revenue Account Budget, including instructions to officers, and a copy of their proposed Housing Revenue Account Capital Programme and Prudential Indicators;
- b. A schedule of Miscellaneous Rent and Service Charges including Heat with Rent that are to apply for the year ahead;
- c. Confirmation of the revenue contribution to the Housing Capital Programme;

- d. Confirmation that, under the Public Sector Equality Duty, due regard has been given. In addition, that any applicable rights or duties, such as the UNCRC or the Consumer Duty, have been taken into account;
- e. Confirmation that consideration has been given to the Integrated Impact Assessments;
- f. Confirmation that the members of the group know the details of the proposals, budget and capital programme.

Integrated Impact Assessments

Integrated Impact Assessments (IIAs) will be prepared from the start of the process by officers, where appropriate. These will be iterative assessments, taking into account feedback from tenant consultation, the further development of service standards by officers, and the development of proposals by Elected Members. They will be updated throughout the process. Reports will be submitted to Council throughout the process including, where appropriate, IIAs.