

**ABERDEEN CITY COUNCIL**  
**HOUSING REVENUE ACCOUNT**  
**2012/13 – 2014/15 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 2012/13, 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 Steven Whyte, Chief Accountant on (52)3566 or e-mail [swhyte@aberdeencity.gov.uk](mailto:swhyte@aberdeencity.gov.uk). The budget information is available as a set of Excel spreadsheets.

### **Inflation**

In preparing the budget no general inflationary uplift has been added which is in line with the base assumptions used in preparing the General Fund Budget for 2012/13, (there are some exceptions to this rule such as utility costs and contractual uplifts etc. and these are stated in the variance notes). Inflation is currently running at approximately 5.3% (RPIX at November 2011). (Source: Office of National Statistics)

### **Housing Stock**

The number of Council houses owned by the Council, as at 30 September 2011, is 22,629. It has been assumed that there will be a further 58 sales during the financial year 2011/12, bringing total sales for the year to 100. The average selling price for the period 1 April 2011 to 30 September 2011 is approximately £45,300.

### **Set Aside Rules**

For the financial year 2011/12 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 2012/13 and future years.**

### **Council House Sales**

It has been assumed that the level of house sales will be 50 in 2012/13. The average selling price for 2011/12 is currently estimated at £45,300. The average number of houses for the financial year 2012/13 is therefore estimated to be 22,546 properties.

### **Average Rent Prices**

The average rent used for the financial year 2012/13 is £69.42 (per 48 weeks), and this has been used to calculate the income available in 2012/13 to fund the proposed budgeted level of expenditure. The average rent is calculated by taking the average rent for 2011/12 plus 6.3% (RPIX at November 2011 + 1% which is the Council's current rent strategy/policy).

Given the exceptional economic position of the European economies this is dealt with in further detail as part of this paper and also the final Committee report.

### **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 2012/13. 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 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 which could materially impact on future contractual obligations.

### **Rent Setting Strategy**

In 2012/13 the Council is to continue with the existing rent setting strategy however it is the intention to move to a revised policy which is detailed below.

Aberdeen City Council currently has 820 different rent levels across its housing stock. These rent levels are based on the Gross Annual Value (GAV) assessed for each property.

GAV takes account of factors like the house type, age, structure, number of apartments, overall floor area, type of heating etc. They are historical values prepared by the Regional Assessor and are not transparent for tenants.

As part of the preparation of the Housing Business Plan work has been undertaken to review the current rent structure to identify how a new system of rent setting can be introduced which is easier for tenants to understand and for the Council to administer.

The establishment of a fair and transparent policy based on a points system that reflects different property attributes is an achievable outcome. A base rent would be applied to every property to which additions for specific factors would be added e.g. for each bedroom or for different property type.

The views of tenants are critical in ensuring the Council introduces an effective system. All tenants have received information and a questionnaire in November 2011 setting out the position identified above. (Assessment of the views of tenants will be included in the final Committee report but will be circulated to elected members prior to the Council meeting on 9 February 2011).

Presentations have been made to various tenants forums and tenants have been invited to participate in focus groups. These focus groups will allow more detailed consideration of the issues and tenants views sought on the various attributes which may be used, their relative weighting etc and issues around how any change could be implemented.

A report proposing a new rent setting policy will be prepared in 2012. If agreement is reached on a new points based rent setting policy, an implementation plan will be developed. The outcome of a fair and transparent rent setting policy should be achieved which will require to be phased in over more than one year.

Before any change is implemented all tenants will be notified with details of the changes and how they will impact on their rent.

It is proposed to set the rents using the existing rent methodology with the potential phased implementation of the new rent policy during the financial year 2012-13.

### **Business Plan**

During 2011 work has been carried out developing a 30 year business plan model which sets out the current and future financial position of the Council's HRA, it's ability to meet and maintain the Scottish Housing Quality Standard (SHQS) and manage, repair and invest in tenant's homes.

The model will allow the Council to identify the level of investment that is sustainable in the long term for other activities, for example, in investment and regeneration strategy.

The business plan is built from a robust information base following a review of all the income and spending assumptions which demonstrated the strong financial management of the HRA while still delivering the requirements of the SHQS as well as building new Council houses for the first time in almost a generation.

A sustainable rent policy must be adhered to in order to secure the long term financial position of this 30 year business plan. The sustainable rent policy that is current Council policy is for the rental increase of RPIX plus 1%. Given the current economic climate this is dealt with in more detail later in this report.

### **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**

2012/13 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). Aberdeen City continues to make steady progress towards SHQS compliance with 59% of our stock now meeting the standard (as at September 2011) rising to an anticipated 75% by the March 2013.

Following the recent appointment of a framework contractor we are now in a position to continue our normal heating replacement work following the delays caused by the legal challenge to the award of the heating framework tender in 2009.

Furthermore we will continue to provide funding for the provision of combined heat and power in our multi storey stock. These actions will improve the energy performance of the council housing stock and prevent potentially hundreds of tenants from falling into or remaining in fuel poverty.

In early 2012 the Council will start work on a major over cladding scheme to three High Rise buildings. These proposals have been brought forward due to the continued problems with water penetration.

In addition to this the Council also plans to commence a programme of structural repairs to seven other multi storeys.

To ensure that the Council can meet its priorities in terms of its housing stock the capital programme for the next three years (inclusive of slippage) is proposed as follows:

2012/13 - £47.00 Million  
2013/14 - £44.45 Million  
2014/15 - £39.75 Million

The capital investment programme will begin to diminish in 2013/14 as a result of the reduced work required on the SHQS and this will have significant savings in the revenue account as the borrowing levels will begin to reduce.

### **Housing New Build Programme**

In September 2011 the first phase of the Council's New Build Programme was completed. During the financial year 2012/13 the Council will complete the construction of phase two and three of its' New Build Programme. These developments are to be located at the following sites:

| <b>Location</b>                | <b>Houses</b> | <b>Flats</b> | <b>Total</b> |
|--------------------------------|---------------|--------------|--------------|
| <b>Phase 1</b>                 |               |              |              |
| Byron Park, Northfield         | 16            | 12           | 28           |
| Hayton Road, Tillydrone        | 18            | 12           | 30           |
| Rorie Hall, Cults              |               | 27           | 27           |
| <b>Phase 2</b>                 |               |              |              |
| Marchburn, Northfield          | 19            | 16           | 35           |
| <b>Phase3</b>                  |               |              |              |
| Oldcroft Place,<br>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 the overall borrowing requirements that otherwise would have been required.

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 financial years are proposed as follows:

| <b>Fiscal Year</b> | <b>Housing Investment</b> | <b>Housing New Build</b> | <b>Total</b>   |
|--------------------|---------------------------|--------------------------|----------------|
| 2012/13            | £46.76 Million            | £0.236 Million           | £47.00 Million |
| 2013/14            | £43.95 Million            | £0.500 Million           | £44.45 Million |
| 2014/15            | £39.75 Million            | £ 0.00 Million           | £39.75 Million |

| Housing Revenue Account<br>Draft 2012/13 Budget |   | Budget        | Out-turn      | Budget        | Notes |
|---|---|---------------|---------------|---------------|-------|
|   |   | 2011/12       | 2011/12       | 2012/13       |       |
|   |   | £000's        | £000's        | £000's        |       |
| <b>Premises Costs</b>                           |   |               |               |               |       |
| 1   | Rates                                     | 3             | 3             | 3             |       |
| 2   | Rent – Other                              | 128           | 128           | 135           | 1     |
| 3   | Repairs and Maintenance                   | 23,531        | 24,454        | 23,264        | 2     |
| 4   | Maintenance of Grounds                    | 2,560         | 2,560         | 2,560         | 3     |
| 5   | Gas                                       | 710           | 710           | 714           | 4     |
| 6   | Electricity                               | 2,310         | 2,310         | 2,361         | 5     |
| 7   | Cleaning Service                          | 520           | 520           | 476           | 6     |
| 8   | Security Service                          | 444           | 444           | 444           | 7     |
| 9   | Window Cleaning                           | 18            | 19            | 19            |       |
| 10  | Refuse Collection                         | 150           | 240           | 240           | 8     |
| 11  | Cleaning – Sheltered Housing              | 475           | 475           | 475           | 9     |
| 12  | Premises Insurance                        | 71            | 56            | 56            | 10    |
| 13  | Other Property Costs - Council Tax        | 72            | 115           | 115           | 11    |
|   |   | <b>30,991</b> | <b>32,034</b> | <b>30,862</b> |       |
| <b>Administration Costs</b>                     |   |               |               |               |       |
| 14  | Downsizing Grants/Direct Debit Incentives | 78            | 78            | 52            | 12    |
| 15  | Legal Expenses                            | 340           | 222           | 222           |       |
| 16  | Office Tel / Rent                         | 88            | 88            | 88            |       |
| 17  | Former Tenants Arrears                    | 1,379         | 1,379         | 1,379         | 13    |
| 18  | Charges - Services Admin & Management.    | 8,804         | 8,110         | 8,556         | 14    |
| 19  | General Consultancy                       | 55            | 55            | 55            | 15    |
| 20  | Training for Front Line Staff             | 100           | 100           | 100           | 15    |
| 21  | Benefits Staff                            | 94            | 94            | 94            | 15    |
| 22  | Charges - Tenants Participation           | 238           | 238           | 238           | 16    |
| 23  | Charges for Environmental Health          | 226           | 213           | 213           |       |
|   |   | <b>11,402</b> | <b>10,577</b> | <b>10,997</b> |       |
| <b>Supplies &amp; Services</b>                  |   |               |               |               |       |
| 24  | Provision of Meals                        | 218           | 177           | 177           | 17    |
| 25  | Equipment Purchase                        | 55            | 55            | 55            |       |
| 26  | Television Licence                        | 5             | 5             | 5             |       |
| 27  | Integrated Housing System                 | 384           | 384           | 338           | 18    |
|   |   | <b>662</b>    | <b>621</b>    | <b>575</b>    |       |
| <b>Agencies</b>                                 |   |               |               |               |       |
| 28  | Mediation Service                         | 98            | 98            | 98            | 20    |
| 29  | Energy Advice                             | 81            | 81            | 81            | 20    |
| 30  | Citizens Advice Bureau                    | 14            | 14            | 14            | 15    |
| 31  | Disabled Persons Housing Service          | 38            | 38            | 38            | 15    |
|   |   | <b>231</b>    | <b>231</b>    | <b>231</b>    |       |



|    | <b>Housing Revenue Account</b>                   | <b>Budget</b>   | <b>Out-turn</b> | <b>Budget</b>   |    |
|----|--|-----------------|-----------------|-----------------|----|
|    | <b>Draft 2012/13 Budget</b>                      | <b>2011/12</b>  | <b>2011/12</b>  | <b>2012/13</b>  |    |
|    |  | <b>£'000</b>    | <b>£'000</b>    | <b>£'000</b>    |    |
|    | <b>Transfer Payments</b>                         |                 |                 |                 |    |
| 32 | Aberdeen Families Project                        | 400             | 400             | 400             | 21 |
| 33 | Loss of Rent - Council Houses                    | 651             | 722             | 722             | 22 |
| 34 | Loss of Rent - Garages, Parking etc              | 160             | 154             | 154             |    |
| 35 | Loss of Rent - Modernisation Works               | 51              | 82              | 87              |    |
| 36 | Supporting People Contribution                   | 406             | 406             | 406             | 23 |
| 37 | CFCR   | 13,828          | 15,715          | 18,681          |    |
|    |  | <b>15,495</b>   | <b>17,479</b>   | <b>20,450</b>   |    |
|    |  |                 |                 |                 |    |
|    | <b>Capital Financing Costs</b>                   |                 |                 |                 |    |
| 38 | Loans Fund Instalment                            | 3,560           | 3,276           | 4,260           |    |
| 39 | Loans Fund Interest                              | 12,429          | 9,713           | 10,819          |    |
| 40 | Heating Leasing Payment                          | 131             | 131             | 131             |    |
|    |  | <b>16,120</b>   | <b>13,120</b>   | <b>15,210</b>   | 24 |
|    |  |                 |                 |                 |    |
|    | <b>Expense Total</b>                             | <b>74,901</b>   | <b>74,062</b>   | <b>78,325</b>   |    |
|    |  |                 |                 |                 |    |
|    | <b>Income</b>                                    |                 |                 |                 |    |
| 41 | Government Grant - General                       | (310)           | (230)           | (420)           | 25 |
| 42 | Ground Rentals                                   | (25)            | (25)            | (25)            |    |
| 43 | Dwelling Houses Rent Income                      | (71,159)        | (70,375)        | (74,476)        | 26 |
| 44 | Housing - Heat with Rent Income                  | (1,233)         | (1,252)         | (1,252)         | 27 |
| 45 | Housing - Garages Rent Income                    | (1,029)         | (1,018)         | (1,018)         | 28 |
| 46 | Housing - Parking Spaces Rent                    | (173)           | (167)           | (167)           | 28 |
| 47 | Housing - Insurance Income                       | (36)            | (36)            | (8)             |    |
| 48 | Housing - Other Service Charge                   | (495)           | (515)           | (515)           | 28 |
| 49 | Legal Expenses                                   | (360)           | (323)           | (323)           |    |
| 50 | Revenue Balance Interest                         | (81)            | (121)           | (121)           | 29 |
|    |  |                 |                 |                 |    |
|    | <b>Income Total</b>                              | <b>(74,901)</b> | <b>(74,062)</b> | <b>(78,325)</b> |    |
|    |  |                 |                 |                 |    |
|    | <b>Net Expenditure</b>                           | <b>0</b>        | <b>0</b>        | <b>0</b>        |    |
|    |  |                 |                 |                 |    |
|    | <b>Projected Working Balance at 1 April 2012</b> |                 |                 | <b>4,319</b>    |    |
|    |  |                 |                 |                 |    |
|    |  |                 |                 |                 |    |
|    |  |                 |                 |                 |    |
|    |  |                 |                 |                 |    |

## HOUSING REVENUE ACCOUNT 2012/13 BUDGET

### Variance Notes

#### Comparing Draft Budget 2012/13 to Estimated Out-turn 2011/12

#### 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 6.3% which reflects the current rent increase policy.

##### **2. Repairs and Maintenance**

An analysis of the proposed budget is included within this booklet (pages 15 to 16).

##### **3. Maintenance of Grounds**

Maintenance of Grounds budget has two elements: Ground Maintenance and cleansing/weed control. The budget for 2012/13 has been maintained at the level of the 2011/12 Budget reflecting expected expenditure levels.

##### **4. Gas**

The Council moved on to the Scottish Government National Procurement for Gas Supply on 1 April 2010 with the contract price reviewed on an annual basis. The budget has been calculated using the actual consumption from 2010/11 and an anticipated uplift of 10% in the contract price as advised by the Council's energy unit.

##### **5. Electricity**

This is the second year of a four year electricity contract. The budget has been calculated by using the 2010/11 consumption and the 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. The cost of cleaning included in the budget for 2012/13 has been reduced to £476,000 which reflects the reduced cost from the contractor as a result of the TUPE period coming to an end.

##### **7. Security Service**

This budget is for the Security Service which started in 2012/13 and runs for three years. The cost of the security included in the budget for 2012/13 is £444,000.

##### **8. Refuse Collection**

This budget has been based on the actual expenditure for 2010/11.

##### **9. Cleaning – Sheltered Housing**

This is the budget for the cleaning of Sheltered Housing and has been calculated by using the actual for 2010/11.

## **10. Premises Insurance**

The budget for 2012/13 has been maintained at the 2011/12 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 expenditure for 2010/11 has been used and is based on the assumption that there will be no increase in Council Tax for 2012/13 based on the terms and conditions of the award of the General Revenue Grant.

## **12. Downsizing Grants/Direct Debit Incentives**

There are currently two schemes within this budget line which are Downsizing grants (£50,000) 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. It was agreed at the Housing & Environment Committee on 1<sup>st</sup> November 2011 to continue the scheme for a further year and to incorporate amenity housing into the scheme where tenants meet the criteria and to set the budget for 2012/13 at £50,000

The Direct Debit incentive scheme was introduced on 5 April 2010. Each month there will be a draw for all new and existing direct debit payers for a chance to win a week free rent period, thereby encouraging more people to switch to paying by direct debit.

## **13. Former Tenants Arrears**

The budget has been maintained at the current budgeted level for 2011/12 to allow for potential costs of the revised benefits scheme being introduced by the Government. Aberdeen City Council had 25.2% tenancies in arrears at 31 March 2011 compared to the Scottish Average of 25%.

## **14. Management & Administration**

The staffing budget is based on the current structure of the Housing Revenue Account. No pay award has been allowed for which is in line with the assumptions contained within the Council's General Fund.

## **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 projects. As an example of this type of expenditure it would include 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 (CAB) provides funding to the service at ARI/Woodend Hospitals for benefits.

An options appraisal has been undertaken on Financial Inclusion Services which includes both the contribution to CAB and the Benefits team. This appraisal will be reported to the Housing & Environment Committee on 12 January 2012.

Disabled Persons Housing Service (Aberdeen) (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 and 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 an allowance for 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 and includes the employment costs of two Tenant Participation Officers, Newsbite and training for tenant representatives.

#### **17. Provision of Meals**

The actual expenditure for 2010/11 is the basis for the 2012/13 budget. This budget is for the provision of meals at Denmore and Kingswood extra care housing. The income for this service is contained in line 49 of the budget statement above which is shown as "Housing Other Service Charge". No increase to this charge is being recommended (this is contained in miscellaneous rents page 20) as there is currently a review ongoing on Housing for Varying Needs which will consider these charges for the future. In addition the budget for 2011/12 includes £40k for the provision of meals in sheltered housing during the process of modernisation which is no longer required for 2012/13.

#### **18. Integrated Housing System**

This budget is based on the IT requirements for 2012/13 which includes all the support and maintenance costs.

## **20. Mediation Service & Energy Advice**

For 2012/13 budgets have been maintained at 2011/12 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 and 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 2011/12 levels.

## **22. Loss of Rent Council Houses**

The budget is based on the estimated out-turn for 2011/12 as at the end of October 2011. No uplift has been assumed therefore setting a target for savings in 2012/13. The void trend in 2011/12 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 2012/13 is based on the actual expenditure for 2010/11.

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

The contribution is being considered as part of the review for Housing for Varying Needs and therefore will be subject to change.

## **24. Capital Financing Costs**

The budget for Capital Financing Costs is based on the likely level of capital spend in 2011/12 as at the end of October 2011 and a possible future programme for 2012/13 of £41.825 million as well as the level of historic debt that has to be financed. It also assumes that the consolidated loans pool rate (the rate used to calculate debt charges) is 5%.

## **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 2012/13 taking into account income from Housing Benefit.

## **26. Dwelling Houses Rent Income**

The budgeted income from Dwelling House Rent is calculated by using the October 2011 outturn less a projected reduction in stock of 50 increased by the potential rent increase of 6.3% (RPIX at November 2011 +1%) which is in line with current Council policy on rent setting.

## **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 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 is 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.
- **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 started 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.
- **Combined Heat & Power (CHP)**  
Aberdeen Heat and Power have advised that the rate charged to Aberdeen City Council will be increased to £10.54 per week for each property on CHP.

P22 of this document shows the recovery of these costs

## **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 20. 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 the income received in 2010/11 and current economic conditions.

| HOUSING REPAIRS DRAFT BUDGET                  |   | Approved Budget<br>2011/12<br>£'000 | Projected Spend<br>2011/12<br>£'000 | Base Budget<br>2012/13<br>£'000 |
|---|---|-------------------------------------|-------------------------------------|---------------------------------|
| <b>PLANNED AND CYCLICAL MAINTENANCE</b>       |   |                                     |                                     |                                 |
| 1   | External Joinerwork Repairs including external painterwork etc.                       | 1,500                               | 1,250                               | 1,500                           |
| 2   | Boiler Maintenance – Sheltered Housing  | 248                                 | 130                                 | 175                             |
| 3   | Controlled Entry Systems – Maintenance  | 385                                 | 500                                 | 450                             |
| 4   | Fire Precautions - Servicing & Renewal of Equipment incl Smoke Detectors & Dry Risers | 340                                 | 359                                 | 340                             |
| 5   | Flat Roofs/Dormers – Renewal & Insulation   | 15                                  | 50                                  | 50                              |
| 6   | Common Rooms – Replacement of Furniture   | 70                                  | 70                                  | 70                              |
| 7   | Gas Servicing, Maintenance and Repair   | 2,400                               | 2,800                               | 2,825                           |
| 8   | Laundry Equipment Replacement & Maintenance   | 65                                  | 84                                  | 85                              |
| 9   | Legionella Testing incl. Repair/Renewal of Tanks                                      | 150                                 | 47                                  | 100                             |
| 10  | Lift Maintenance  | 200                                 | 375                                 | 315                             |
| 11  | Mutual Repairs outwith Housing Action Areas   | 25                                  | 25                                  | 25                              |
| 12  | Pumps & Fans - Maintenance & Renewal  | 150                                 | 85                                  | 90                              |
| 13  | Sheltered Housing - Replacement of Carpets, furnishings etc                           | 70                                  | 14                                  | 70                              |
| 14  | Standby Generators – Maintenance  | 112                                 | 87                                  | 90                              |
| 15  | Warden call systems- maintenance and Repair   | 90                                  | 55                                  | 90                              |
| 16  | Provision of Community Alarm  | 125                                 | 17                                  | 125                             |
| 17  | Environmental Improvements (including internal communal areas)                        | 1,500                               | 1,250                               | 1,500                           |
| 18  | Relets  | 5,000                               | 4,461                               | 4,500                           |
| 19  | Asbestos  | 600                                 | 135                                 | 200                             |
| <b>Planned/Cyclical Maintenance Sub Total</b> |   | <b>13,045</b>                       | <b>11,795</b>                       | <b>12,600</b>                   |
| <b>DAY TO DAY RESPONSE MAINTENANCE</b>        |   |                                     |                                     |                                 |
| 20  | Blacksmith General incl. Renewing & Repairing Rotary Driers/Handrails                 | 300                                 | 276                                 | 280                             |
| 21  | Car Park Repairs  | 10                                  | 10                                  | 10                              |
| 22  | Chimneyheads - Repointing and Rebuilding  | 5                                   | 2                                   | 5                               |
| 23  | Condensation - Treatment of Walls   | 125                                 | 157                                 | 160                             |
| 24  | Electrical Work - General Repairs   | 1,030                               | 1,428                               | 1,100                           |
| 25  | Emergency Work - Out of Hours Service   | 700                                 | 598                                 | 620                             |
| 26  | External/Internal Response Paintwork  | 400                                 | 339                                 | 350                             |
| 27  | Fire Damage Repairs   | 45                                  | 274                                 | 200                             |
| 28  | Garage Repairs  | 20                                  | 27                                  | 30                              |
| 29  | Glazierwork   | 140                                 | 438                                 | 200                             |
| 30  | Joinerwork - General Repairs  | 2,200                               | 2,578                               | 2,000                           |
| 31  | Masonwork and Water Penetration Repairs   | 600                                 | 740                                 | 620                             |
| 32  | Minor Environmental Services  | 500                                 | 513                                 | 520                             |
| 33  | Plasterwork – General   | 350                                 | 309                                 | 320                             |
| 34  | Plumberwork – General   | 1,100                               | 1,548                               | 1,100                           |
| 35  | Slaterwork  | 810                                 | 1,047                               | 800                             |
| 36  | Snow Clearance  | 52                                  | 52                                  | 52                              |
| 37  | TV Aerial   | 124                                 | 212                                 | 220                             |
| 38  | Rubbish Removal   | 150                                 | 229                                 | 200                             |
| 39  | Vandalism   | 175                                 | 205                                 | 200                             |
| 40  | Water Services Charges  | 10                                  | 10                                  | 10                              |
| <b>Day to Day Response Maintenance Total</b>  |   | <b>8,846</b>                        | <b>10,992</b>                       | <b>8,997</b>                    |
| 41  | Fees  | 1,640                               | 1,667                               | 1,667                           |
| <b>TOTAL REPAIRS AND MAINTENANCE BUDGET</b>   |   | <b>23,531</b>                       | <b>24,454</b>                       | <b>23,264</b>                   |

## **REPAIRS AND MAINTENANCE BUDGET 2012/13**

### **General**

The projected spend figures have been taken from invoicing up to 2 October 2011 and the committed cost for jobs yet to be invoiced as at 28/11/11.

Projections are based on the average monthly spend, updates from Surveyors and in the case of the general trades historical information has been taken from previous spend patterns.

Projected spend in 2011/12 is currently anticipated to be higher than budget and relates to invoices from 2010/11 that have yet to be charged. However H&E are investigating this to ensure these have not already been included in the work in progress calculation for 2010/11 therefore already accounted for in 2010/11 costs.

### **Specific Items**

#### **Planned and Cyclical Maintenance**

##### **Item 7: Gas Servicing, Maintenance and Repair**

The budget reflects the anticipated contract renewal as per the report to Housing & Environment Committee dated 1 November 2011.

##### **Item 10: Lift Maintenance**

The projected increase is based on spend to date.

##### **Item 18: Relets**

In 2010/11 there were a number of homeless properties requiring an initial upgrade. With this work now completed there is far less work attributable to these flats in 2011/12 therefore the budget can be reduced for 2012/13.

##### **Item 19: Asbestos**

The projected decrease is based on spend to date.

#### **Response Maintenance**

##### **Item 27: Fire Damage**

The projected increase reflects that in 2011/12 there has been an increasing trend of work required as a result of fire damage.

##### **Item 30: Joinerwork – General Repairs**

The reduction in the Joinerwork is as a result of the Joiners being the last trade to go onto mobile working. In other trades this has resulted in a reduction of costs.



|    | Management & Admin               |              | Proposed     |       |
|----|----------------------------------|--------------|--------------|-------|
|    |                                  | Budget       | Budget       |       |
|    |                                  | 2011/12      | 2012/13      | Notes |
|    |                                  | £000's       | £000's       |       |
|    | <b>Staff Costs</b>               |              |              | 1,2   |
| 1  | Salaries                         | 6,240        | 6,409        |       |
| 2  | Overtime                         | 68           | 69           |       |
| 3  | Superannuation                   | 1,080        | 1,118        |       |
| 4  | N.I                              | 520          | 511          |       |
| 5  | Other Staff Costs                | 231          | 253          |       |
|    |                                  | <b>8,139</b> | <b>8,360</b> |       |
|    | <b>Premises Costs</b>            |              |              | 2     |
| 6  | Rates                            | 90           | 107          |       |
| 7  | Rent                             | 29           | 30           |       |
| 8  | Insurance                        | 2            | 2            |       |
| 9  | Electricity/Gas                  | 77           | 70           |       |
| 10 | Void Properties                  | 10           | 10           |       |
| 11 | Rubbish Removal                  | 7            | 21           |       |
| 12 | Cleaning                         | 41           | 114          |       |
| 13 | Repairs and Maintenance          | 32           | 45           |       |
| 14 | Security                         | 0            | 51           |       |
|    |                                  | <b>288</b>   | <b>450</b>   |       |
|    | <b>Administration Costs</b>      |              |              | 3     |
| 15 | Printing                         | 80           | 82           |       |
| 16 | Photocopying                     | 18           | 19           |       |
| 17 | Stationery                       | 27           | 30           |       |
| 18 | Subscriptions                    | 16           | 16           |       |
| 19 | Postages                         | 77           | 87           |       |
| 20 | Telephones                       | 28           | 35           |       |
| 21 | Bank Charges(inc Cash in transit | 35           | 76           |       |
| 22 | Advertising                      | 63           | 49           |       |
| 23 | Course Expenses                  | 94           | 93           |       |
| 24 | Legal Expenses                   | 9            | 17           |       |
| 25 | Former Tenants Arrears           | 3            | 3            |       |
| 26 | Insurances                       | 1            | 1            |       |
|    |                                  | <b>451</b>   | <b>508</b>   | 3     |
|    |                                  |              |              |       |
|    |                                  |              |              |       |
|    |                                  |              |              |       |
|    |                                  |              |              |       |
|    |                                  |              |              |       |
|    |                                  |              |              |       |

|    |                                       |                 | <b>Proposed</b> |   |
|----|---------------------------------------|-----------------|-----------------|---|
|    |                                       | <b>Budget</b>   | <b>Budget</b>   |   |
|    |                                       | <b>2011/12</b>  | <b>2012/13</b>  |   |
|    |                                       | <b>£'000</b>    | <b>£'000</b>    |   |
|    | <b>Transport Costs</b>                |                 |                 | 3 |
| 27 | Travel Costs                          | 97              | 94              |   |
|    |                                       | <b>97</b>       | <b>94</b>       |   |
|    | <b>Supplies &amp; Services</b>        |                 |                 | 3 |
| 28 | Equipment Purchases                   | 35              | 49              |   |
| 29 | Computer Software Support             | 18              | 18              |   |
| 30 | Office Equipment                      | 8               | 8               |   |
| 31 | Books & Newspapers                    | 0               | 1               |   |
| 32 | Sundry Outlays                        | 100             | 109             |   |
|    |                                       | <b>161</b>      | <b>185</b>      |   |
|    | <b>Corporate/Directorate Recharge</b> |                 |                 |   |
| 33 | Corporate/Directorate Recharges       | 2,251           | 2,020           | 4 |
|    |                                       | <b>2,251</b>    | <b>2,020</b>    |   |
|    | <b>Expense Total</b>                  | <b>11,387</b>   | <b>11,617</b>   |   |
|    | <b>Income</b>                         |                 |                 |   |
|    | Recharges:-                           |                 |                 |   |
| 34 | Management & Admin – HRA              | (8,370)         | (8,453)         |   |
| 35 | Tenants Participation – HRA           | (288)           | (238)           |   |
| 36 | Other Housing                         | (287)           | (289)           |   |
| 37 | Homeless Persons                      | (474)           | (160)           |   |
| 38 | Housing Capital                       | (1,209)         | (1,232)         |   |
|    |                                       | <b>(10,628)</b> | <b>(10,372)</b> |   |
| 39 | Hostel - Rents                        | (760)           | (1,245)         | 2 |
|    | <b>Income Total</b>                   | <b>(11,387)</b> | <b>(11,617)</b> |   |
|    | <b>Net Expenditure</b>                | <b>0</b>        | <b>0</b>        |   |

## MANAGEMENT AND ADMINISTRATION BUDGET

### Variations and Notes

The 2012/13 budget for management and administration is based on the existing structure of Housing which will be subject to change as work is completed in reviewing existing structures.

**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. Premises Costs, Fees & Charges**

The increase in these budgets reflects a review of the hostels expenditure levels. Any deficit from the hostels is Grant Funded by the Scottish Government.

**3. Administration Costs, Transport Costs, Supplies and Services**

All the above budgets have been reviewed with certain costs being maintained or increased based on current service provision.

**4. Corporate/Directorate Charges**

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

| ABERDEEN CITY COUNCIL<br>HOUSING REVENUE ACCOUNT                         |                   |          |          |            |               |
|--|-------------------|----------|----------|------------|---------------|
| Proposed Increase to be included in the HRA budget – Miscellaneous Rents |                   |          |          |            |               |
|  |                   |          |          |            |               |
|  | 2 0 1 2 / 2 0 1 3 |          |          |            |               |
|  | Current           | Proposed | Increase | Percentage | Additional    |
|  | Rental            | Rental   | Per Week | Increase   | Income        |
| Miscellaneous Increases  | £                 | £        | £        | %          | £             |
| Garages  | 8.50              | 9.10     | 0.60     | 7.06       | 61,286        |
| Denburn and West North Street Spaces                                     | 4.40              | 4.40     | 0        | 0          | 0             |
| Garages Sites  | 3.40              | 3.70     | 0.3      | 8.82       | 15,251        |
| Car Ports  | 3.80              | 4.10     | 0.3      | 7.89       | 2,074         |
| Car Parking Spaces – Local Residents<br>Note 1                           | 3.40              | 3.40     | 0        | 0          | 0             |
| Parking Spaces Non Local Residents<br>Note 1                             | 35.00             | 35.00    | 0        | 0          | 0             |
| Window Cleaning Note 2   | 0.85              | 0.35     | 0        | 0          | 0             |
| Meals at Denmore & Kingswood Note 2                                      | 35.00             | 35.00    | 0        | 0          | 0             |
| Mortgage Reference Fees  | 56.00             | 60.00    | 4.00     | 7.14       | 112           |
| Guest Rooms Note 2   | 15.30             | 15.30    | 0        | 0          | 0             |
| Owners Administration fees   | 13.46             | 16.13    | 2.67     | 19.84      | 4,763         |
|  |                   |          |          |            | <b>83,487</b> |
| <b>TOTAL ADDITIONAL INCOME NOT INCLUDED IN THE BASE BUDGET</b>           |                   |          |          |            |               |
|  |                   |          |          |            |               |
| <b>General Services</b>  |                   |          |          |            |               |
| <b>Housing - Homeless Account</b>  |                   |          |          |            |               |
| Homeless Flats – Service Charge Note 3                                   | 250.33            | 250.33   | 0        | 0          | 0             |
| Clinterty Caravan Site   | 74.00             | 79.00    | 5.00     | 6.76       | 5,040         |
|  |                   |          |          |            |               |
|  |                   |          |          |            |               |
| <b>Housing Revenue Account</b>   |                   |          |          |            |               |
| <b>Accommodation Units (Grant Funded)</b>                                |                   |          |          |            |               |
| Adult (first2)   | 51.00             | 54.00    | 3.00     | 5.88       | 41,250        |
| Child  | 34.00             | 36.00    | 2.00     | 5.88       | 13,750        |
|  |                   |          |          |            |               |
|  |                   |          |          |            |               |

The above proposed prices for 2012/13 take account of price elasticity of demand subject to:

Note 1 These charges were approved at H&E Committee on 25 August 2011 therefore do require further uplift.

Note 2 These charges are being considered as part of the overall review of Housing for Varying Needs

Note 3 No increase recommended as no uplift in the main expenditure.

| <b>Heat with Rent – 48 week basis</b> |                 |                 |
|---------------------------------------|-----------------|-----------------|
|                                       | <b>Previous</b> | <b>Proposed</b> |
| <b>Gas Heated Properties</b>          | <b>£</b>        | <b>£</b>        |
| Bedsits                               | 7.75            | 8.25            |
| 1 bedroomed flats                     | 8.35            | 8.95            |
| 2 bedroomed flats                     | 8.55            | 9.25            |
| 3 bedroomed flats                     | 9.55            | 10.35           |
|                                       |                 |                 |
| <b>Electrically Heated Properties</b> |                 |                 |
| Bedsits                               | 8.75            | 9.25            |
| 1 bedroomed flats                     | 9.35            | 9.95            |
| 2 bedroomed flats                     | 9.95            | 10.65           |
| 3 bedroomed flats                     | 10.55           | 11.35           |
|                                       |                 |                 |
| <b>CHP Properties</b>                 |                 |                 |
| All 1 Bedroomed Properties            | 8.30            | 8.90            |
| All 2 Bedroomed Properties            | 8.70            | 9.40            |
| All 3 Bedroomed Properties            | 9.30            | 10.10           |
|                                       |                 |                 |

### Heat with Rent calculations for 2012/13

It was agreed in the 2011/12 budget process to apply an **increase of 40p per week for bedsits, 50p per week for 1 bedroomed dwellings, 60p per week for 2 bedroomed dwelling and 70p per week for 3 bedroomed dwellings** across all the Council's Heat with Rent properties. There would also be similar increases required for the next three years to cover the costs.

It was noted that a review of the consumption and the costs would be required each year especially as only the electric contract was fixed for four years. There would also be revised costs for CHP and Gas each year. As a result the increases above for the subsequent three years would be subject to change.

The Office of National Statistics (ONS) have said that prices of electricity, gas and other fuels rose at an annual rate of 20.9%, the fastest pace since February 2009. Tenants with heat with Rent have been protected from these market increases as 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.

In addition 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 which have been extreme in the last two years.

It is proposed to apply an **increase of 50p per week for bedsits, 60p per week for 1 bedroomed dwellings, 70p per week for 2 bedroomed dwelling and 80p per week for 3 bedroomed dwellings across all the Council's Heat with Rent properties in 2012/13.**

For 2012/13 revised rates will result in **increases of between 5.71% and 8.6%.**

This would generate sufficient income to ensure the Housing Revenue Account breaks even between the costs to the Council of providing electricity and gas through Combined Heat with Power charges for the heating in these dwellings over a four year period.

|              | <b>Estimated 4 year cost<br/>to Council<br/>£'000</b> | <b>Estimated 4 year<br/>income to cover costs<br/>£'000</b> |
|--------------|---|---|
| <b>Total</b> | <b>6,200</b>  | <b>6,200</b>  |

This would equate to the following weekly Heat with Rent charges for 2012/13:

**for electrically and oil heated properties:**

|                       |       |                   |
|-----------------------|-------|-------------------|
| Bedsits               | 9.25  | Increase of 5.71% |
| 1 bedroomed dwellings | 9.95  | Increase of 6.42% |
| 2 bedroomed dwellings | 10.65 | Increase of 7.03% |
| 3 bedroomed dwellings | 11.35 | Increase of 7.58% |

**for gas heated properties:**

|                       |       |                   |
|-----------------------|-------|-------------------|
| Bedsits               | 8.25  | Increase of 6.45% |
| 1 bedroomed dwellings | 8.95  | Increase of 7.18% |
| 2 bedroomed dwellings | 9.25  | Increase of 8.18% |
| 3 bedroomed dwellings | 10.35 | Increase of 8.38% |

**for CHP heated properties:**

|                       |       |                   |
|-----------------------|-------|-------------------|
| 1 bedroomed dwellings | 8.90  | Increase of 7.23% |
| 2 bedroomed dwellings | 9.40  | Increase of 8.04% |
| 3 bedroomed dwellings | 10.10 | Increase of 8.6%  |

| <b>ABERDEEN CITY COUNCIL</b>  |                   |                   |                    |                 |                    |              |               |                |                   |
|---|-------------------|-------------------|--------------------|-----------------|--------------------|--------------|---------------|----------------|-------------------|
| <b>HOUSING REVENUE ACCOUNT</b>  |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>Proposed Increase to be included in the HRA budget</b>   |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>Owners Charges</b>   |                   |                   |                    |                 |                    |              |               |                |                   |
|   | <b>Total no</b>   | <b>Owners</b>     |                    |                 |                    |              |               | <b>Current</b> |                   |
|   | <b>of flats</b>   | <b>liable for</b> |                    |                 | <b>Lifts</b>       |              | <b>Total</b>  | <b>Charge</b>  |                   |
| <b>Multi Storey</b>   | <b>in complex</b> | <b>Charge</b>     | <b>Electricity</b> | <b>Cleaning</b> | <b>Maintenance</b> | <b>Admin</b> | <b>Charge</b> | <b>2010/11</b> | <b>Difference</b> |
| Ashgrove Court  | 40                | 2                 | 50.56              | 46.00           | 16.86              | 4.03         | 117.45        | 133.82         | -16.37            |
| Aulton Court  | 113               | 15                | 24.28              | 32.35           | 10.96              | 4.03         | 71.62         | 84.88          | -13.26            |
| Balgownie Court   | 66                | 12                | 29.98              | 49.61           | 6.60               | 4.03         | 90.22         | 111.64         | -21.42            |
| Bayview Court   | 111               | 8                 | 23.49              | 32.93           | 8.17               | 4.03         | 68.62         | 84.78          | -16.16            |
| Beachview Court   | 111               | 8                 | 24.98              | 32.93           | 7.17               | 4.03         | 69.11         | 81.41          | -12.30            |
| Beechwood Court   | 72                | 2                 | 19.84              | 50.97           | 12.81              | 4.03         | 87.65         | 99.09          | -11.44            |
| Bruce House   | 46                | 7                 | 25.68              | 54.59           | 18.99              | 4.03         | 103.29        | 127.31         | -24.02            |
| Cairncry Court  | 94                | 21                | 40.18              | 33.21           | 11.04              | 4.03         | 88.46         | 111.43         | -22.97            |
| Cornhill Court  | 100               | 25                | 18.58              | 32.74           | 9.66               | 4.03         | 65.01         | 107.01         | -42.00            |
| Davidson House  | 46                | 17                | 35.78              | 54.59           | 21.26              | 4.03         | 115.66        | 129.34         | -13.68            |
| Denburn Court   | 120               | 40                | 30.94              | 30.46           | 11.33              | 4.03         | 76.76         | 99.74          | -22.98            |
| Elphinstone Court   | 72                | 1                 | 31.42              | 50.77           | 11.83              | 4.03         | 98.05         | 107.75         | -9.70             |
| Grampian Court  | 52                | 4                 | 37.52              | 57.09           | 15.68              | 4.03         | 114.32        | 108.69         | 5.63              |
| Grandholm Court   | 72                | 0                 | 30.46              | 50.77           | 9.49               | 4.03         | 94.75         | 107.75         | -13.00            |
| Gilcomstoun Land  | 75                | 34                | 40.38              | 31.45           | 16.95              | 4.03         | 92.81         | 105.39         | -12.58            |
| Greig Court   | 144               | 26                | 28.72              | 25.39           | 17.06              | 4.03         | 75.2          | 90.61          | -15.41            |
| Hutcheon Court  | 140               | 29                | 20.41              | 21.21           | 6.79               | 4.03         | 52.44         | 78.64          | -26.20            |
| Inverdon Court  | 66                | 17                | 30.09              | 49.61           | 15.96              | 4.03         | 99.69         | 112.50         | -12.81            |
| Kincorth Land   | 52                | 10                | 60.59              | 54.16           | 23.32              | 4.03         | 142.1         | 149.37         | -7.27             |
| Kings Court   | 72                | 3                 | 26.74              | 50.77           | 3.96               | 4.03         | 85.50         | 105.41         | -19.91            |
| Linksfield Court  | 111               | 3                 | 22.99              | 32.93           | 13.38              | 4.03         | 73.33         | 83.49          | -10.16            |
| Marischal Court   | 108               | 8                 | 22.61              | 30.00           | 10.66              | 4.03         | 67.3          | 78.16          | -10.86            |
| Morven Court  | 52                | 3                 | 37.37              | 57.09           | 10.33              | 4.03         | 108.82        | 120.37         | -11.55            |
| Oldcroft Court  | 72                | 8                 | 17.05              | 50.77           | 12.17              | 4.03         | 84.02         | 93.55          | -9.53             |
| Porthill Court  | 72                | 14                | 18.15              | 28.52           | 10.25              | 4.03         | 60.95         | 62.94          | -1.99             |
| Promenade Court   | 111               | 8                 | 24.74              | 32.93           | 8.71               | 4.03         | 70.41         | 86.13          | -15.72            |
| Regent Court  | 111               | 11                | 22.45              | 32.93           | 8.49               | 4.03         | 67.90         | 85.08          | -17.18            |
| Rose House  | 46                | 14                | 28.46              | 54.59           | 13.79              | 4.03         | 100.87        | 111.75         | -10.89            |
| Rosehill Court  | 94                | 15                | 43.45              | 33.21           | 9.35               | 4.03         | 90.04         | 114.52         | -24.48            |
| Seamount Court  | 126               | 40                | 45.83              | 29.00           | 6.22               | 4.03         | 85.08         | 74.10          | 10.98             |
| Stockethill Court   | 100               | 33                | 37.90              | 32.74           | 9.05               | 4.03         | 83.72         | 111.29         | -27.57            |
| St Ninian Court   | 66                | 9                 | 41.47              | 49.61           | 9.02               | 4.03         | 104.13        | 126.03         | -21.90            |
| Tillydrone Court  | 52                | 2                 | 33.64              | 54.16           | 11.65              | 4.03         | 103.48        | 120.87         | -17.39            |
| Thistle Court   | 126               | 47                | 27.06              | 24.77           | 4.38               | 4.03         | 60.24         | 86.44          | -26.20            |
| Virginia Court  | 48                | 12                | 35.31              | 42.77           | 11.73              | 4.03         | 93.84         | 127.35         | -33.51            |
| Wallace House   | 46                | 6                 | 28.21              | 54.59           | 11.71              | 4.03         | 98.54         | 107.28         | -8.74             |
| <b>Total</b>  |                   | <b>514</b>        |                    |                 |                    |              |               |                |                   |
| <b>Proposed charges would be effective from 1 April 2012 to 31 March 2013</b>   |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>Potential Increases stated in the above calculation -</b>  |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>The Electricity reflects the consumption for each multi storey in the previous financial year</b>  |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>Lift Maintenance is based on actual costs for 2010/11</b>  |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>Admin Costs based on actual staff costs.</b>   |                   |                   |                    |                 |                    |              |               |                |                   |
| <b>Overall there is a fall in the annual charge as a result of using the actuals for lift maintenance this is in line with the Property Factors Act which is to be introduced on 1<sup>st</sup> October 2012.</b> |                   |                   |                    |                 |                    |              |               |                |                   |



**Other Local Authorities**  
**Average Rent Levels 2011/12**

| No       |                     | 2011/12<br>£ |
|----------|---------------------|--------------|
| 1        | Edinburgh, City of  | 81.11        |
| 2        | Renfrewshire        | 68.23        |
| 3        | Shetland            | 66.13        |
| 4        | Highland            | 66.07        |
| <b>5</b> | <b>ABERDEEN</b>     | <b>65.31</b> |
| 6        | Dundee              | 65.25        |
| 7        | West Lothian        | 64.99        |
| 8        | East Dunbartonshire | 64.18        |
| 9        | Orkney              | 63.65        |
| 10       | North Ayrshire      | 61.75        |
| 11       | Stirling            | 60.83        |
| 12       | Clackmannanshire    | 60.68        |
| 13       | South Lanarkshire   | 60.68        |
| 14       | East Ayrshire       | 59.72        |
| 15       | Aberdeenshire       | 59.59        |
| 16       | South Ayrshire      | 59.55        |
| 17       | Perth & Kinross     | 59.06        |
| 18       | West Dunbartonshire | 59.02        |
| 19       | East Renfrewshire   | 58.98        |
| 20       | Fife                | 58.55        |
| 21       | Falkirk             | 57.55        |
| 22       | North Lanarkshire   | 57.59        |
| 23       | Midlothian          | 55.63        |
| 24       | Angus               | 54.06        |
| 25       | East Lothian        | 48.72        |
| 26       | Moray               | 47.18        |

Based on 48 weeks rent levels.

## **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 2011 to ascertain views on the possible rent increase of inflation plus 1%. The table 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?

|                   | <b>Returns</b> | <b>Percent</b> |
|-------------------|----------------|----------------|
| <b>Yes</b>        | 1,011          | 48             |
| <b>No</b>         | 598            | 29             |
| <b>Don't know</b> | 473            | 23             |
| <b>Total</b>      | 2,082          | 100            |

| Housing Revenue Account        |  | Budget        | Budget        | Budget        | Notes |
|--------------------------------|--|---------------|---------------|---------------|-------|
|                                |  | 2012/13       | 2013/14       | 2014/15       |       |
|                                |  | £000's        | £000's        | £000's        |       |
| <b>Premises Costs</b>          |  |               |               |               |       |
| 1                              | Rates                                      | 3             | 3             | 3             |       |
| 2                              | Rent                                       | 135           | 138           | 142           | 3     |
| 3                              | Repairs and Maintenance                    | 23,264        | 23,821        | 24,391        | 1     |
| 4                              | Maintenance of Grounds                     | 2,560         | 2,586         | 2,611         | 2     |
| 5                              | Gas  | 714           | 732           | 750           | 3     |
| 6                              | Electricity                                | 2,361         | 2,420         | 2,481         | 3     |
| 7                              | Cleaning Service                           | 476           | 476           | 476           | 3     |
| 8                              | Security Service                           | 444           | 448           | 453           | 2     |
| 9                              | Window Cleaning                            | 19            | 19            | 19            |       |
| 10                             | Refuse Collection                          | 240           | 242           | 245           | 2     |
| 11                             | Cleaning - Payments to Contractor          | 475           | 480           | 485           | 2     |
| 12                             | Premises Insurance                         | 56            | 57            | 59            | 3     |
| 13                             | Other Property Costs - Council Tax         | 115           | 115           | 115           |       |
|                                |  | <b>30,862</b> | <b>31,538</b> | <b>32,229</b> |       |
| <b>Administration Costs</b>    |  |               |               |               |       |
| 14                             | Down sizing Grants/Direct Debit Incentives | 52            | 52            | 52            |       |
| 15                             | Legal Expenses                             | 222           | 222           | 222           |       |
| 16                             | Office Tel / Rent                          | 88            | 90            | 92            | 3     |
| 17                             | Former Tenants Arrears                     | 1,379         | 1,379         | 1,379         |       |
| 18                             | Charges - Services Admin & Management      | 8,556         | 8,642         | 8,721         |       |
| 19                             | General Consultancy                        | 55            | 55            | 55            | 2     |
| 20                             | Training for Front Line Staff              | 100           | 100           | 100           |       |
| 21                             | Benefits Staff                             | 94            | 95            | 95            | 2     |
| 22                             | Charges - Tenants Participation            | 238           | 240           | 243           | 2     |
| 23                             | Charges for Environmental Health           | 213           | 215           | 217           | 2     |
|                                |  | <b>10,997</b> | <b>11,090</b> | <b>11,177</b> |       |
| <b>Supplies &amp; Services</b> |  |               |               |               |       |
| 24                             | Provision of Meals                         | 177           | 179           | 181           | 2     |
| 25                             | Equipment Purchase                         | 55            | 55            | 55            |       |
| 26                             | Television Licence                         | 5             | 5             | 5             |       |
| 27                             | Integrated Housing System                  | 338           | 338           | 338           |       |
|                                |  | <b>575</b>    | <b>577</b>    | <b>579</b>    |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |
|                                |  |               |               |               |       |

|    | <b>Housing Revenue Account</b>      | <b>Budget</b>   | <b>Budget</b>   | <b>Budget</b>   |   |
|----|-------------------------------------|-----------------|-----------------|-----------------|---|
|    |                                     | <b>2012/13</b>  | <b>2013/14</b>  | <b>2014/15</b>  |   |
|    |                                     | <b>£'000</b>    | <b>£'000</b>    | <b>£'000</b>    |   |
|    | <b>Agencies</b>                     |                 |                 |                 |   |
| 28 | Mediation Service                   | 98              | 99              | 100             | 2 |
| 29 | Energy Advice                       | 81              | 82              | 83              | 2 |
| 30 | Citizens Advice Bureau              | 14              | 14              | 14              |   |
| 31 | Disabled Persons Housing Service    | 38              | 38              | 39              | 2 |
|    |                                     | <b>231</b>      | <b>233</b>      | <b>235</b>      |   |
|    | <b>Transfer Payments</b>            |                 |                 |                 |   |
| 32 | Aberdeen Families Project           | 400             | 404             | 408             | 2 |
| 33 | Loss of Rent - Council Houses       | 722             | 747             | 773             | 4 |
| 34 | Loss of Rent - Garages, Parking etc | 154             | 159             | 165             | 4 |
| 35 | Loss of Rent - Modernisation Works  | 87              | 90              | 93              | 4 |
| 36 | Supporting People Contribution      | 406             | 406             | 406             |   |
| 37 | CFCR                                | 18,681          | 18,430          | 18,548          |   |
|    |                                     | <b>20,450</b>   | <b>20,237</b>   | <b>20,394</b>   |   |
|    | <b>Capital Financing Costs</b>      |                 |                 |                 |   |
| 38 | Loans Fund Instalment               | 4,260           | 5,216           | 6,097           |   |
| 39 | Loans Fund Interest                 | 10,819          | 11,737          | 12,430          |   |
| 40 | Heating Leasing Payment             | 131             | 131             | 131             |   |
|    |                                     | <b>15,210</b>   | <b>17,084</b>   | <b>18,658</b>   |   |
|    | <b>Expense Total</b>                | <b>78,325</b>   | <b>80,758</b>   | <b>83,272</b>   |   |
|    |                                     |                 |                 |                 |   |
|    | <b>Income</b>                       |                 |                 |                 |   |
| 41 | Government Grant – General          | (420)           | (420)           | (420)           |   |
| 42 | Ground Rentals                      | (25)            | (25)            | (25)            |   |
| 43 | Dwelling Houses Rent Income         | (74,476)        | (76,909)        | (79,423)        | 4 |
| 44 | Housing - Heat with Rent Income     | (1,252)         | (1,252)         | (1,252)         |   |
| 45 | Housing - Garages Rent Income       | (1,018)         | (1,018)         | (1,018)         |   |
| 46 | Housing - Parking Spaces Rent       | (167)           | (167)           | (167)           |   |
| 47 | Housing - Insurance Income          | (8)             | (8)             | (8)             |   |
| 48 | Housing - Other Service Charge      | (515)           | (515)           | (515)           |   |
| 49 | Legal Expenses                      | (323)           | (323)           | (323)           |   |
| 50 | Revenue Balance Interest            | (121)           | (121)           | (121)           |   |
|    | <b>Income Total</b>                 | <b>(78,325)</b> | <b>(80,758)</b> | <b>(83,272)</b> |   |
|    |                                     |                 |                 |                 |   |
|    | <b>Net Expenditure</b>              | <b>0</b>        | <b>0</b>        | <b>0</b>        |   |
|    |                                     |                 |                 |                 |   |
|    | Minimum Working Balances            | 3,916           | 4,038           | 4,164           |   |
|    | Actual Working Balance              | 4,319           |                 |                 |   |

## **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 2.5% in 2013/14 and 2014/15. The fee element has been uplifted by 1% to reflect the salary uplift.

### **2. Maintenance of Grounds, Security Service, Refuse Collection, Cleaning – Sheltered Housing, Charges – Services Admin & Management, Benefits staff, Charges – Tenants participation, Charges for Environmental Health, Mediation Service, Energy Advice, Disabled Persons Housing Service, Aberdeen Families Project**

As these budgets principally are for staffing within the Council an uplift of 1% has been applied to reflect that the government has set public sector pay awards at 1% for each of the two years after the current pay freeze comes to an end.

### **3. Rent, Gas, Electricity, Cleaning Service, Premises Insurance, Office Tel**

These budgets have been uplifted by the inflationary increase in the updated HRA Business Plan.

### **4. Dwelling Houses Rent Income**

The budgeted income from Dwelling House Rent is calculated by using the budgeted figure for 2012/13 and uplifting each year by 3.5 % (RPIX of 2.5 % used in the business plan +1%) less a projected reduction in stock of 50 each year.

| HOUSING REPAIRS DRAFT BUDGET                  |   | Base Budget<br>2012/13<br>£'000 | Base Budget<br>2013/14<br>£'000 | Base Budget<br>2014/15<br>£'000 |
|---|---|---------------------------------|---------------------------------|---------------------------------|
| <b>PLANNED AND CYCLICAL MAINTENANCE</b>       |   |                                 |                                 |                                 |
| 1   | External Joinerwork Repairs including external paintwork etc.                         | 1,500                           | 1,538                           | 1,576                           |
| 2   | Boiler Maintenance - Extra Care Housing   | 175                             | 179                             | 184                             |
| 3   | Controlled Entry Systems – Maintenance  | 450                             | 461                             | 473                             |
| 4   | Fire Precautions - Servicing & Renewal of Equipment incl Smoke Detectors & Dry Risers | 340                             | 349                             | 357                             |
| 5   | Flat Roofs/Dormers – Renewal & Insulation   | 50                              | 51                              | 53                              |
| 6   | Common Rooms - Replacement of Furniture   | 70                              | 72                              | 74                              |
| 7   | Gas Servicing, Maintenance and Repair   | 2,825                           | 2,896                           | 2,968                           |
| 8   | Laundry Equipment Replacement & Maintenance   | 85                              | 87                              | 89                              |
| 9   | Legionella Testing incl. Repair/Renewal of Tanks                                      | 100                             | 103                             | 105                             |
| 10  | Lift Maintenance  | 314                             | 323                             | 331                             |
| 11  | Mutual Repairs outwith Housing Action Areas   | 25                              | 26                              | 26                              |
| 12  | Pumps & Fans - Maintenance & Renewal  | 90                              | 92                              | 95                              |
| 13  | Extra Care Housing - Replacement of Carpets, furnishings etc                          | 70                              | 72                              | 74                              |
| 14  | Standby Generators – Maintenance  | 90                              | 92                              | 95                              |
| 15  | Warden call systems- Maintenance and Repair   | 90                              | 92                              | 95                              |
| 16  | Provision of Community Alarm  | 125                             | 128                             | 131                             |
| 17  | Environmental Improvements  | 1,500                           | 1,538                           | 1,576                           |
| 18  | Relets  | 4,500                           | 4,613                           | 4,728                           |
| 19  | Asbestos  | 200                             | 205                             | 210                             |
| <b>Planned/Cyclical Maintenance Sub Total</b> |   | <b>12,600</b>                   | <b>12,915</b>                   | <b>13,238</b>                   |
| <b>DAY TO DAY RESPONSE MAINTENANCE</b>        |   |                                 |                                 |                                 |
| 20  | Blacksmith General incl. Renewing & Repairing Rotary Driers/Handrails                 | 280                             | 287                             | 294                             |
| 21  | Car Park Repairs  | 10                              | 10                              | 11                              |
| 22  | Chimneyheads - Repointing and Rebuilding  | 5                               | 5                               | 5                               |
| 23  | Condensation - Treatment of Walls   | 160                             | 164                             | 168                             |
| 24  | Electrical Work - General Repairs   | 1,100                           | 1,128                           | 1,156                           |
| 25  | Emergency Work - Out of Hours Service   | 620                             | 636                             | 651                             |
| 26  | External/Internal Response Paintwork  | 350                             | 359                             | 368                             |
| 27  | Fire Damage Repairs   | 200                             | 205                             | 210                             |
| 28  | Garage Repairs  | 30                              | 31                              | 32                              |
| 29  | Glazierwork   | 200                             | 205                             | 210                             |
| 30  | Joinerwork – General Repairs  | 2,000                           | 2,050                           | 2,101                           |
| 31  | Masonwork and Water Penetration Repairs   | 620                             | 636                             | 651                             |
| 32  | Minor Environmental Services  | 520                             | 533                             | 546                             |
| 33  | Plasterwork – General   | 320                             | 328                             | 336                             |
| 34  | Plumberwork – General   | 1,100                           | 1,128                           | 1,156                           |
| 35  | Slaterwork  | 800                             | 820                             | 841                             |
| 36  | Snow Clearance  | 52                              | 53                              | 55                              |
| 37  | TV Aerial   | 220                             | 226                             | 231                             |
| 38  | Rubbish Removal   | 200                             | 205                             | 210                             |
| 39  | Vandalism   | 200                             | 205                             | 210                             |
| 40  | Water Services Charges  | 10                              | 10                              | 11                              |
| <b>Day to Day Response Maintenance Total</b>  |   | <b>8,997</b>                    | <b>9,222</b>                    | <b>9,452</b>                    |
| <b>HOUSING REPAIRS TOTAL</b>                  |   | <b>21,597</b>                   | <b>22,138</b>                   | <b>22,690</b>                   |
|   | Fees  | 1,667                           | 1,684                           | 1,701                           |
| <b>TOTAL REPAIRS AND MAINTENANCE BUDGET</b>   |   | <b>23,264</b>                   | <b>23,822</b>                   | <b>24,391</b>                   |

|    | <b>Management &amp; Admin</b> |                |                |                |
|----|-------------------------------|----------------|----------------|----------------|
|    |                               | <b>Budget</b>  | <b>Budget</b>  | <b>Budget</b>  |
|    |                               | <b>2012/13</b> | <b>2013/14</b> | <b>2014/15</b> |
|    |                               | <b>£000's</b>  | <b>£000's</b>  | <b>£000's</b>  |
|    | <b>Staff Costs</b>            |                |                |                |
| 1  | Salaries                      | 6,409          | 6,473          | 6,538          |
| 2  | Overtime                      | 69             | 70             | 70             |
| 3  | Superannuation                | 1,118          | 1,129          | 1,140          |
| 4  | N.I                           | 511            | 516            | 521            |
| 5  | Other Staff Costs             | 253            | 256            | 258            |
|    |                               | <b>8,360</b>   | <b>8,444</b>   | <b>8,528</b>   |
|    |                               |                |                |                |
|    | <b>Premises Costs</b>         |                |                |                |
| 6  | Rates                         | 107            | 110            | 112            |
| 7  | Rent                          | 30             | 31             | 31             |
| 8  | Insurance                     | 2              | 2              | 2              |
| 9  | Electricity/Gas               | 70             | 72             | 73             |
| 10 | Void Properties               | 10             | 10             | 10             |
| 11 | Rubbish Removal               | 21             | 22             | 22             |
| 12 | Cleaning                      | 114            | 117            | 119            |
| 13 | Repairs and Maintenance       | 45             | 46             | 47             |
| 14 | Security                      | 51             | 52             | <b>53</b>      |
|    |                               | <b>450</b>     | <b>461</b>     | <b>470</b>     |
|    |                               |                |                |                |
|    | <b>Administration Costs</b>   |                |                |                |
| 15 | Printing                      | 82             | 84             | 86             |
| 16 | Photocopying                  | 19             | 19             | 20             |
| 17 | Stationery                    | 30             | 31             | 31             |
| 18 | Subscriptions                 | 16             | 16             | 17             |
| 19 | Postages                      | 87             | 89             | 91             |
| 20 | Telephones                    | 35             | 36             | 37             |
| 21 | Bank Charges                  | 76             | 78             | 79             |
| 22 | Advertising                   | 49             | 50             | 51             |
| 23 | Course Expenses               | 93             | 95             | 97             |
| 24 | Legal Expenses                | 17             | 17             | 18             |
| 25 | Former Tenants Arrears        | 3              | 3              | 3              |
| 26 | Insurances                    | 1              | 1              | 1              |
|    |                               | <b>508</b>     | <b>521</b>     | <b>531</b>     |
|    |                               |                |                |                |
|    |                               |                |                |                |
|    |                               |                |                |                |
|    |                               |                |                |                |
|    |                               |                |                |                |
|    |                               |                |                |                |

|    |                                       | <b>Budget</b>   | <b>Budget</b>   | <b>Budget</b>   |
|----|---------------------------------------|-----------------|-----------------|-----------------|
|    |                                       | <b>2012/13</b>  | <b>2013/14</b>  | <b>2014/15</b>  |
|    |                                       | <b>£'000</b>    | <b>£'000</b>    | <b>£'000</b>    |
|    | <b>Transport Costs</b>                |                 |                 |                 |
| 27 | Travel Costs                          | 94              | 96              | 98              |
|    |                                       | <b>94</b>       | <b>96</b>       | <b>98</b>       |
|    | <b>Supplies &amp; Services</b>        |                 |                 |                 |
| 28 | Equipment Purchases                   | 49              | 50              | 51              |
| 29 | Computer Software Support             | 18              | 18              | 19              |
| 30 | Office Equipment                      | 8               | 8               | 8               |
| 31 | Books & Newspapers                    | 1               | 1               | 1               |
| 32 | Sundry Outlays                        | 109             | 112             | 114             |
|    |                                       | <b>185</b>      | <b>190</b>      | <b>193</b>      |
|    | <b>Corporate/Directorate Recharge</b> |                 |                 |                 |
| 33 | Corporate/Directorate Recharge        | 2,020           | 2,040           | 2,061           |
|    |                                       | <b>2,020</b>    | <b>2,040</b>    | <b>2,061</b>    |
|    |                                       |                 |                 |                 |
|    |                                       |                 |                 |                 |
|    | <b>Expense Total</b>                  | <b>11,617</b>   | <b>11,752</b>   | <b>11,882</b>   |
|    |                                       |                 |                 |                 |
|    | <b>Income</b>                         |                 |                 |                 |
|    | Recharges:-                           |                 |                 |                 |
| 34 | Management & Admin – HRA              | (8,453)         | (8,538)         | (8,616)         |
| 35 | Tenants Participation – HRA           | (238)           | (240)           | (243)           |
| 36 | Recharges to Other Housing            | (289)           | (292)           | (295)           |
| 37 | Recharges to Homeless                 | (160)           | (162)           | (163)           |
| 38 | Housing Capital                       | (1,245)         | (1,244)         | (1,257)         |
|    |                                       | (10,372)        | (10,476)        | (10,573)        |
|    |                                       |                 |                 |                 |
| 39 | Hostel – Rents                        | (1,245)         | (1,276)         | (1,308)         |
|    |                                       |                 |                 |                 |
|    | <b>Income Total</b>                   | <b>(11,617)</b> | <b>(11,752)</b> | <b>(11,882)</b> |
|    |                                       |                 |                 |                 |
|    |                                       |                 |                 |                 |
|    | <b>Net Expenditure</b>                | <b>0</b>        | <b>0</b>        | <b>0</b>        |



**Draft Housing Capital Budget 2012/13 to 2014/15**

| Project   | 2012/13 | 2013/14 | 2014/15 |
|---|---------|---------|---------|
|   | £'000   | £'000   | £'000   |
| <b>SCOTTISH HOUSING QUALITY STANDARDS</b>   |         |         |         |
| <b>1 Compliant with the tolerable standard</b>  |         |         |         |
| 1.1 Major Repairs-  | 600     | 550     | 550     |
| Roofs Renewal/Gutters/RWP/Roughcast   |         |         |         |
| Undertaking large scale repairs to Roofs/Gutters/RWP/Roughcast  |         |         |         |
|   | 600     | 550     | 550     |
| <b>2 Free from Serious Disrepair</b>  |         |         |         |
| <b>2.1 Primary Building Elements</b>  |         |         |         |
| Structural Repairs Multi Storey   | 5,650   | 4,000   | 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  | 1,150   | 800     | 800     |
| Structural works carried out in order to keep the building stable and structurally sound.   |         |         |         |
| <b>Secondary Building Elements</b>  |         |         |         |
| 2.2 Upgrading Of Flat Roofs General   | 150     | 350     | 350     |
| Replacement of existing roof covering and upgrading of insulation to meet current building regulations.   |         |         |         |
| 2.3 Upgrade Flat Roofs Multi Storey   | 510     | 550     | 550     |
| Full replacement of the flat roofs and also checking the replacement of roof ventilation as required  |         |         |         |
| 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  | 600     | 900     | 500     |
| 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   | 600     | 300     | 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      | 200     | 90      |
| Replacement of existing balcony glazing on a cyclical basis   |         |         |         |
|   | 9,310   | 7,410   | 5,300   |

|   | 2012/13<br>£'000 | 2013/14<br>£'000 | 2014/15<br>£'000 |
|---|------------------|------------------|------------------|
| <b>3 Energy Efficient</b>   |                  |                  |                  |
| <u>Effective insulation</u>   |                  |                  |                  |
| 3.1 Energy Efficiency – General Houses  | 220              | 220              | 0                |
| 3.2 General Houses Loft Insulation<br>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<br>Replacement of boiler/whole system as deemed necessary.  | 4,950            | 4,950            | 4,100            |
| 3.4 Medical Need Heating<br>Installation of gas/electric heating depending on the medical assessment.<br>This can be installing a completely new system, modifying or extending an existing system.   | 10               | 50               | 50               |
| 3.5 Energy Efficiency Multi Blocks<br>Contribution to Aberdeen Heat & Power for the creation of Combined Heat & Power Plants  | 2,120            | 2,000            | 2,000            |
| 3.6 Energy Efficiency Sheltered<br>Introduction of energy efficiency measures in extra care housing such as new or upgraded heating systems.  | 200              | 250              | 350              |
| <u>Additional Energy Efficiency measures</u>  |                  |                  |                  |
| 3.7 S.C.A.R.F<br>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, draught proofing and compact fluorescent bulbs. Also providing tenants with energy efficiency advice and information. | 35               | 35               | 35               |
| 3.8 Solid Wall Insulation<br>Installation of solid wall insulation where there was none previously.   | 50               | 150              | 150              |
|   | <hr/> 7,635      | <hr/> 7,705      | <hr/> 6,735      |
| <b>4 Modern Facilities &amp; Services</b>   |                  |                  |                  |
| <u>Bathroom and Kitchen Condition</u>   |                  |                  |                  |
| 4.1 Modernisation Programme<br>Replacement of bathrooms and kitchens.   | 16,401           | 13,894           | 13,111           |
|   | <hr/> 16,401     | <hr/> 13,894     | <hr/> 13,111     |
| <b>5 Healthy, Safe &amp; Secure</b>   |                  |                  |                  |
| <u>Healthy</u>  |                  |                  |                  |
| 5.1 Condensation Measures<br>Installation of heating systems and ventilation measures to combat condensation.   | 50               | 50               | 50               |
| <u>Safe</u>   |                  |                  |                  |
| 5.3 Rewiring<br>Replacement of cabling, fittings and distribution boards as necessary. This work is carried out in every property on a cyclical basis   | 1,000            | 1,100            | 1,100            |
| 5.4 Lift Replacement Multi Storey/Major Blocks<br>Replacement of lifts where they are beyond economical repair. This can be full replacement or replacement of specific parts of the lift.  | 600              | 1,000            | 1,000            |
| 5.5 Smoke Detectors – Common Areas Major Blocks   | 100              | 150              | 50               |

|   | 2012/13<br>£'000 | 2013/14<br>£'000 | 2014/15<br>£'000 |
|---|------------------|------------------|------------------|
| <b>Healthy, Safe &amp; Secure (continued)</b>   |                  |                  |                  |
| 5.6 Services  | 50               | 200              | 200              |
| Cyclical maintenance/replacement of the following services<br>Ventilation Systems, water tanks/pipework, refuse chutes/chamber, Dry risers systems, Standby Generators                          |                  |                  |                  |
| 5.7 Entrance Halls/Concierge  | 50               | 175              | 175              |
| Provision of security service   |                  |                  |                  |
| 5.8 Laundry Facilities  | 50               | 150              | 150              |
| Replacement of laundry equipment  |                  |                  |                  |
| 5.9 Upgrading of Lighting   | 36               | 36               | 10               |
| Installation of lighting controlled by photo cell ie. switches on and off automatically depending on the level of natural light & 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  | 200              | 200              | 200              |
| Installation of door entry and replacement of existing doors where required   |                  |                  |                  |
| 5.13 Other Initiatives  | 400              | 1,000            | 900              |
| Upgrading of stairs and installation of security doors and door entry systems   |                  |                  |                  |
|   | 2,576            | 4,101            | 3,875            |

#### NON SCOTTISH HOUSING QUALITY STANDARDS

|   |       |       |       |
|---|-------|-------|-------|
| <b>6 Community Plan &amp; Single Outcome Agreement</b>  |       |       |       |
| 6.1 Housing For Varying Needs   | 300   | 300   | 300   |
| New build including extra care housing.   |       |       |       |
| 6.2 Community Initiatives   | 150   | 300   | 400   |
| Refurbishment of properties or environmental improvements in designated areas.  |       |       |       |
| 6.5 Regeneration/Acquisition of Land or Houses  | 1,000 | 1,000 | 1,000 |
| Early Action projects linked to Regeneration and Masterplanning Briefs for Regeneration & provision of consultation events. Acquisition of Land/Houses for the new build programme. |       |       |       |
| 6.6 CCTV – Concierge  | 150   | 150   | 150   |
| Provision of CCTV for the new Concierge service   |       |       |       |
| 6.7 Adaptations Disabled  | 1,250 | 1,250 | 1,250 |
| Installation of level access showers, ramps, stair lifts and kitchen adaptations  |       |       |       |
| 6.8 Special Initiatives/Barrier Free Housing  | 370   | 250   | 250   |
| Provision of specialist facilities or housing for tenants with particular needs ie extensions   |       |       |       |
| 6.9 Housing For Varying Needs- Amenity/Adaptations  | 200   | 200   | 200   |
| Conversion of properties to Amenity Level standard  |       |       |       |
| 6.9 Housing For Varying Needs- Extra Care/Adaptations   | 300   | 320   | 300   |
| Adaptations required to ensure existing sheltered housing stock meets current standards   |       |       |       |
| 6.10 Roads  | 150   | 180   | 180   |
| Upgrade of Roads to an adoptable standard   |       |       |       |
| 6.11 Paths  | 150   | 150   | 150   |
| Formation or upgrading of paths   |       |       |       |
| 6.12 Garages  | 50    | 50    | 50    |
| Upgrade of Garages  |       |       |       |
| 6.13 New Affordable Housing   | 236   | 500   | 0     |
|   | 4,306 | 4,650 | 4,230 |

|  | 2012/13       | 2013/14       | 2014/15       |
|--|---------------|---------------|---------------|
|  | £'000         | £'000         | £'000         |
| <b>7 Service Development</b>   |               |               |               |
| 7.1 Conditions Surveys   | 50            | 50            | 50            |
| Surveying of Council houses to identify failures against Scottish Housing Quality Standard |               |               |               |
| 7.2 Property Database  | 100           | 200           | 200           |
| Various items of IT equipment including hardware and software                              |               |               |               |
| 7.3 Integrated Housing System  | 100           | 200           | 300           |
| Various purchase of PC's and software packages   |               |               |               |
| 7.4 Corporate IT   |               |               |               |
|  | <u>250</u>    | <u>450</u>    | <u>550</u>    |
| <b>9 Service Expenditure</b>   |               |               |               |
| Corporate Fees   | 5,923         | 5,686         | 5,401         |
|  | <u>5,923</u>  | <u>5,686</u>  | <u>5,401</u>  |
| <b>Gross Programme</b>   | <b>47,002</b> | <b>44,446</b> | <b>39,752</b> |
| Less Slippage  | (5,177)       | (4,883)       | (4,574)       |
| <b>Net Programme</b>   | <b>41,825</b> | <b>39,563</b> | <b>35,178</b> |
| Financed by :-   |               |               |               |
| Borrowing  | 23,144        | 18,703        | 16,630        |
| Scottish Government Grant Funding – New Build  | 0             | 930           | 0             |
| SEE Grant Funding  |               | 1,500         | 0             |
| CFCR (Capital Financed From Current Revenue)   | 18,681        | 18,430        | 18,548        |
| <b>Total Funding</b>   | <b>41,825</b> | <b>39,563</b> | <b>35,178</b> |