

# Appendix 1

## Aberdeen City Council Draft Housing Revenue Account 2013/14 – 2015/16 Budget

Our vision is  
for Aberdeen  
to be an **ambitious**,  
achieving, **smart** city.



Barry Jenkins  
Head of Finance

Pete Leonard  
Director of Housing and Environment

## 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 2013/14, 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 Gill Mutch, Finance Manager (Projects) on (52)2556 or e-mail gmutch@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 2013/14, (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 3.1% (RPIX at October 2012). (Source: Office of National Statistics)

### **Housing Stock**

The number of Council houses owned by the Council, as at 31 August 2012, is 22,735. It has been assumed that there will be a further 61 sales during the financial year 2012/13, bringing total sales for the year to 100. The average selling price for the period 1 April 2012 to 31 August 2012 is approximately £50,000.

### **Set Aside Rules**

For the financial year 2012/13 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 2013/14 and future years.**

### **Council House Sales**

It has been assumed that the level of house sales will be 50 in 2013/14. The average selling price for 2012/13 is currently estimated at £50,000. The average number of houses for the financial year 2013/14 is therefore estimated to be 22,649 properties.

### **Rental Income**

The income available in 2013/14 to fund the proposed budgeted level of expenditure has been calculated by taking the projected income under the revised rent structure plus 4.1% (RPIX at October 2012 + 1% which is the Council's current rent strategy/policy).

### **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 2013/14. No increase of income has been built into the proposed budget.

## Welfare Reform and Working Balances

The impact of Welfare Reform is, at this time, unquantifiable but with 46% of current HRA tenants on full or partial housing benefit its effect on arrears, under occupancy etc could be substantial:

- Current Tenant Arrears at the end of March 12 were £2.6M (prior to the introduction of Welfare reform).
- There are 2,199 tenancies (approx 10% of all tenancies) which are effected by the under occupancy policy, these are tenants of working age and currently in receipt of Housing Benefit. This is actively being managed by Housing but there are a limited number of suitable properties for people to move to.

In developing a rent setting strategy it is important to ensure that there are adequate working balances. The Head of Finance must be confident that the level of working balances is adequate to meet any unforeseen contingencies particularly as regards the uncertainty surrounding welfare reform and the impact this could have on viability of the business plan of the Housing Revenue Account. Given this inherent uncertainty it is **proposed that the working balances are increased from 5% to 10% over a 3 year period.**

## Rent Setting Strategy

On 28<sup>th</sup> August 2012 the Housing & Environment Committee approved a proposed new rent structure. The new rent model will be phased in over a 5 year period from April 2013 to April 2017. The increases and decreases are capped at a maximum of £3 per week during this period. Any rents that have not achieved the model rent by April 2018 will do so on that date. It was also agreed that any annual rent increases would be applied to the revised rent.

The new rent structure is consistent, fair, efficient and transparent and is detailed below:

<b>BASE RENT</b>	<b>£42.00</b>
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<b>CRITERIA 1 - BEDROOM</b>	<b>ADDITIONAL RENT</b>
Number of Bedrooms	£
0	0.00
1	10.00
2	15.00
3	20.00
4	25.00
5	30.00
6	35.00
7	40.00

<b>CRITERIA 2 – DWELLING TYPE</b>	<b>ADDITIONAL RENT</b>
	£
Multi/Flat/Maisonette	10.00
Four in a Block	15.00
Cottage/House	20.00

<b>CRITERIA 3 - GARAGES</b>	<b>ADDITIONAL RENT</b>
	£
Garage	10.00
No Garage	0.00

**Rent is equal to Base Rent + Criteria 1 + Criteria 2 + Criteria 3**

So, for example, rent for 2 bedroom house with a garage:  
 $£42.00 + £15.00 + £20.00 + £10.00 = £87.00$

**The budget has been calculated using the above rent structure plus an increase of 4.1%.**

### **Business Plan**

During 2012 the 30 year business plan model, which sets out the current and future financial position of the Council's HRA, its ability to meet and maintain the Scottish Housing Quality Standard (SHQS) and manage, repair and invest in tenant's homes has been updated with the financial information from the financial year 2011/12 which continues to show a business plan which is sustainable in the long term. However if there were to be increases in, for example, interest rates this would impact on the long term viability of the plan. No account has been taken of any potential impact of welfare changes as, at this stage, these are unknown but could dramatically change the cash flow of the plan.

A sustainable rent policy must be adhered to in order to secure the long term financial position of this 30 year business plan. The Council policy for maintaining sustainable rents is for a rental increase of RPIX plus 1%.

## **Housing Capital Expenditure Programme**

### **Housing Investment Programme**

2013/14 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 81% of our stock now meeting the standard (as at June 2012) rising to an anticipated 90.8% by March 2014.

**Whilst it is unclear as to any future obligations beyond the SHQS completion date of 2015 it is likely that this will dramatically reduce the current level of capital investment as this is not sustainable in the longer term.**

The Council 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.

The Council has started work on a major over-cladding scheme for High Rise buildings and it is anticipated that those in Seaton will be completed by 2013/14 with work commencing on the blocks at Balnagask in November 2012.

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:

2013/14 - £46.930 Million

2014/15 - £39.330 Million

2015/16 -£37.949 Million (this is indicative at this stage but is likely to be considerably less)

The capital investment programme will begin to diminish in 2014/15 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.

### **Tenants Charter**

The Tenants Charter<sup>1</sup> was published by the Scottish Government in March 2012. The purpose of the Charter is to improve the quality and value of the services that social landlords provide, and supports the Scottish Government's long term aim of creating a safer and stronger Scotland.

The Charter has seven sections covering:

- equalities;
- the customer/landlord relationship;
- housing quality and maintenance;
- neighbourhood and community;
- access to housing and support;
- getting good value from rents and service charges;
- other customers.

The objective of the section on rents and service charges is that Social landlords set rents and service charges in consultation with their tenants and other customers so that:

- A balance is struck between the level of services provided, the cost of the services, and how far current and prospective tenants and other customers can afford them
- Tenants get clear information on how rent and other money is spent, including any details of individual items of expenditure above thresholds agreed between landlords and tenants.

Each landlord must decide, in discussion with tenants and other customers, whether to publish information about expenditure above a particular level, and in what form and detail. It is important that discussions do take place and the decisions made reflect the views of tenants and other customers.

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<sup>1</sup> A copy of the Charter can be found at [www.housingcharter.scotland.gov.uk](http://www.housingcharter.scotland.gov.uk)

Housing Revenue Account Draft 2013/14 Budget		Budget	Out-turn	Budget	Notes
		2012/13	2012/13	2013/14	
		£000	£000	£000	
<b>Premises Costs</b>					
1	Rates	3	3	3	
2	Rent – Other	135	115	138	1
3	Repairs and Maintenance	23,264	23,092	22,042	2
4	Maintenance of Grounds	2,560	2,866	3,045	3
5	Gas	714	714	674	4
6	Electricity	2,361	2,361	2,420	5
7	Cleaning Service	476	476	542	6
8	Security Service	444	372	372	7
9	Window Cleaning	19	19	19	
10	Refuse Collection	240	320	325	8
11	Cleaning – Sheltered Housing	475	449	453	9
12	Premises Insurance	56	56	57	10
13	Other Property Costs - Council Tax	115	122	122	11
		<b>30,862</b>	<b>30,965</b>	<b>30,212</b>	
<b>Administration Costs</b>					
14	Downsizing Grants/Direct Debit Incentives	52	15	52	12
15	Legal Expenses	222	201	201	
16	Office Tel / Rent	88	88	88	
17	Former Tenants Arrears	1,379	1,379	1,379	13
18	Charges - Services Admin & Management.	8,556	7,968	8,582	14
19	General Consultancy	55	55	55	15
20	Training for Front Line Staff	100	100	100	15
21	Benefits Staff	94	94	95	15
22	Charges - Tenants Participation	238	238	206	16
23	Charges for Environmental Health	213	227	227	
		<b>10,997</b>	<b>10,365</b>	<b>10,985</b>	
<b>Supplies &amp; Services</b>					
24	Provision of Meals	177	166	168	17
25	Equipment Purchase	55	55	55	
26	Television Licence	5	5	5	
27	Integrated Housing System	338	338	314	18
		<b>575</b>	<b>564</b>	<b>542</b>	
<b>Agencies</b>					
28	Mediation Service	98	98	98	19
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 2013/14 Budget</b>	<b>2012/13</b>	<b>2012/13</b>	<b>2013/14</b>	
		<b>£000</b>	<b>£000</b>	<b>£000</b>	
	<b>Transfer Payments</b>				
32	Aberdeen Families Project	400	400	414	21
33	Loss of Rent - Council Houses	722	754	722	22
34	Loss of Rent - Garages, Parking etc	153	211	211	
35	Loss of Rent - Modernisation Works	86	50	50	
36	Supporting People Contribution	406	406	406	23
37	CFCR	17,675	21,484	22,116	
		<b>19,442</b>	<b>23,305</b>	<b>23,919</b>	
	<b>Capital Financing Costs</b>				
38	Loans Fund Instalment	4,260	3,168	3,903	
39	Loans Fund Interest	10,819	8,889	9,559	
40	Heating Leasing Payment	131	131	131	
		<b>15,210</b>	<b>12,188</b>	<b>13,593</b>	24
	<b>Expense Total</b>	<b>77,317</b>	<b>77,618</b>	<b>79,482</b>	
	<b>Income</b>				
41	Government Grant - General	(420)	(234)	(234)	25
42	Ground Rentals	(25)	(25)	(27)	
43	Dwelling Houses Rent Income	(73,144)	(73,748)	(76,589)	26
44	Housing - Heat with Rent Income	(1,534)	(1,459)	(1,459)	27
45	Housing - Garages Rent Income	(1,096)	(1,087)	(1,087)	28
46	Housing - Parking Spaces Rent	(167)	(187)	(187)	28
47	Housing - Insurance Income	(8)	(8)	(2)	
48	Housing - Other Service Charge	(479)	(489)	(489)	28
49	Legal Expenses	(323)	(260)	(260)	
50	Revenue Balance Interest	(121)	(121)	(148)	29
	<b>Income Total</b>	<b>(77,317)</b>	<b>(77,618)</b>	<b>(80,482)</b>	
	<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>(1,000)</b>	
	<b>Projected Working Balance at 1 April 2013</b>			<b>4,200</b>	



## HOUSING REVENUE ACCOUNT 2013/14 BUDGET

### Variance Notes Comparing Draft Budget 2013/14 to Estimated Out-turn 2012/13

#### Expenditure Movements

##### **1. Rent**

This budget is for the rent of police houses, accommodation for community groups and housing offices.

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

An analysis of the proposed budget is included within this booklet (pages 14 to 15). The budget has reduced from 2012/13 as there have been year on year reductions in repairs and maintenance costs.

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

Maintenance of Grounds budget has two elements: ground maintenance and cleansing/weed control. Both budgets for 2013/14 have been calculated by uplifting the anticipated outturns for 2012/13 by 1% (the budgeted salary uplift) and also includes an additional £150K for ad hoc grass cutting requests from Housing Managers.

##### **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 2011/12 and an anticipated rates increase in the contract price as advised by the Council's energy unit.

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

This is the third year of a four year electricity contract. The budget has been calculated by using information provided for the 2012/13 budget process as the updated figures are not yet available.

##### **6. Cleaning Service**

This budget is for communal cleaning. The cleaning contract commenced on 5 July 2010 and runs for three years. To date the contract has not been agreed for July 2013 onwards therefore the budget has been based on actual expenditure for 2011/12 plus 2.6% (RPIX for September 2012). The Contracts Managers costs are also contained within this budget.

##### **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 2013/14 is £372,000, and includes the control room team.

## **8. Refuse Collection**

This budget has been based on the actual expenditure for 2011/12 plus 1% potential wage increase.

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

This is the budget for the cleaning of sheltered housing and has been calculated by using the actual expenditure for 2011/12 plus 1%.

## **10. Premises Insurance**

The budget for 2013/14 has been maintained at the 2012/13 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 2011/12 has been used and is based on the assumption that there will be no increase in Council Tax for 2013/14 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). Budgets have been maintained at the 2012/13 level.

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. This budget is being maintained at the current level as there could be a potential rise in demand when the welfare reforms are introduced and tenants are penalised for under occupation.

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

## **13. Former Tenants Arrears**

The budget has been maintained at the current budgeted level to allow for potential costs of the welfare reforms being introduced by the Government. Aberdeen City Council had 29.6% tenancies in arrears at 31 March 2012 compared to the Scottish Average of 26%.

## **14. Management & Administration**

The staffing budget is based on the current structure of the Housing Revenue Account. A pay award of 1% 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 assumed no uplifts.

General consultancy allows the Housing Revenue Account to fund one off projects. An example of this type of expenditure 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 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.

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 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 2011/12 plus 1% is the basis for the 2013/14 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 48 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 19) as there is currently a review ongoing on Housing for Varying Needs which will consider these charges for the future. Currently there is a shortfall of £34,000 between income and expenditure for meals.

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

This budget is based on the IT requirements for 2013/14 which includes all the support and maintenance costs.

#### **19. Mediation Service**

For 2013/14 budget has been maintained at 2012/13 levels.

## **20. Energy Advice**

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 Torry area 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 is based on the 2011/12 actual expenditure.

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

No uplift has been assumed therefore setting a target for savings in 2013/14. The void trend in 2012/13 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 2013/14 is based on the actual expenditure for 2011/12.

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 2012/13 as at the end of August 2012 and a possible future programme for 2013/14 of £41.533 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 4.5%.

## **Income**

### **25. Government Grant – General**

This budget is grant income from the Scottish Government for the Hostel. The grant previously funded any deficit generated from the running of this service but since 2012/13 is a fixed amount. There is a provision held in the balance sheet to cover the shortfall for the next 2 years.

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

The budgeted income from Dwelling House Rent has been calculated using the anticipated income from the new rent structure and increased by the potential

rent increase of 4.1% (RPIX at October 2012 +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 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 has 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, 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 are to advise the Council of the rate increase in November, indications are that the maximum increase will be 5%.

Page 21 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 19. The current budget therefore assumes that there will be no increase at present.

## **29. Interest on Revenue Balances**

This is akin to bank interest received on the HRA's cash flow during the year. Budget is based on the income received in 2011/12 and current economic conditions.

HOUSING REPAIRS DRAFT BUDGET		Approved Budget 2012/13 £000	Projected Spend 2012/13 £000	Base Budget 2013/14 £000
<b>PLANNED AND CYCLICAL MAINTENANCE</b>				
1	External Joiner work Repairs including external painter work etc.	1,500	1,613	1,500
2	Boiler Maintenance – Sheltered Housing	175	350	300
3	Controlled Entry Systems – Maintenance	450	367	370
4	Fire Precautions - Servicing & Renewal of Equipment inc. Smoke Detectors & Dry Risers	340	218	220
5	Flat Roofs/Dormers – Renewal & Insulation	50	14	50
6	Common Rooms – Replacement of Furniture	70	28	40
7	Gas Servicing, Maintenance and Repair	2,825	2,882	2,885
8	Laundry Equipment Replacement & Maintenance	85	48	60
9	Legionella Testing incl. Repair/Renewal of Tanks	100	43	60
10	Lift Maintenance	315	339	350
11	Mutual Repairs outwith Housing Action Areas	25	25	25
12	Pumps & Fans - Maintenance & Renewal	90	131	120
13	Sheltered Housing - Replacement of Carpets, furnishings etc	70	22	40
14	Standby Generators – Maintenance	90	122	120
15	Warden call systems- maintenance and Repair	90	90	90
16	Provision of Community Alarm	125	230	230
17	Environmental Improvements (including internal communal areas)	1,500	1,059	1,200
18	Void Properties	4,500	3,616	3,550
19	Asbestos	200	238	200
<b>Planned/Cyclical Maintenance Sub Total</b>		<b>12,600</b>	<b>11,435</b>	<b>11,410</b>
<b>DAY TO DAY RESPONSE MAINTENANCE</b>				
20	Blacksmith General incl. Renewing & Repairing Rotary Driers/Handrails	280	147	160
21	Car Park Repairs	10	14	15
22	Chimney heads - Repointing and Rebuilding	5	0	5
23	Condensation - Treatment of Walls	160	37	100
24	Electrical Work - General Repairs	1,100	1,071	1,100
25	Emergency Work - Out of Hours Service	620	571	620
26	External/Internal Response Paintwork	350	222	250
27	Fire Damage Repairs	200	267	300
28	Garage Repairs	30	40	50
29	Glazier work	200	129	150
30	Joiner work - General Repairs	2,000	2,370	2,400
31	Mason work and Water Penetration Repairs	620	324	350
32	Minor Environmental Services	520	547	560
33	Plasterwork – General	320	256	270
34	Plumber work – General	1,100	1,126	1,150
35	Slater work	800	720	800
36	Snow Clearance	52	52	52
37	TV Aerial	220	110	150
38	Rubbish Removal	200	126	140
39	Vandalism	200	88	100
40	Water Services Charges	10	10	10
<b>Day to Day Response Maintenance Total</b>		<b>8,997</b>	<b>8,227</b>	<b>8,732</b>
<b>41</b>	<b>Chargeable Repairs</b>	0	1,550	0
<b>42</b>	<b>Fees</b>	1,667	1,880	1,900
<b>TOTAL REPAIRS AND MAINTENANCE BUDGET</b>		<b>23,264</b>	<b>23,092</b>	<b>22,042</b>

## **REPAIRS AND MAINTENANCE BUDGET 2013/14**

### **General**

The projected spend figures have been taken from invoicing up to the end of August 2012 and the committed cost for jobs yet to be invoiced as at the middle of September.

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 2012/13 is currently anticipated to be lower than budget however this can be subject to change as this budget is demand led.

### **Specific Items**

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

##### **Item 2 Boiler Maintenance – Sheltered Housing**

Expenditure is above budget due to the increasing number of call-outs regarding faults involving radiators in flats, cottages and common areas. There has also been a significant increase in recent call-outs to replace calorifiers, boilers and water heaters.

##### **Item 17 Environmental Improvements**

This line includes crime prevention measures, bird proofing including the removal of nests, area fencing, security doors, sound insulation, security lighting and other estate management improvements identified by housing officers.

##### **Item 18 Void Properties (Relets)**

The projected decrease reflects actual expenditure to date.

#### **Day to Day Response Maintenance**

The items listed under day to day response are more susceptible to weather /climate/fluctuations in costs from year to year. The projected and budget costs are in part based on historical data taken from previous years.

#### **Chargeable Repairs**

Chargeable repairs are those repairs which are completed on blocks which contain owners, the spend cannot be split between tenants and owners, the projected spend figure has been reduced by 25% to take account of this.

#### **Fees**

The fees have increased as a result of the inclusion of the recharge for the call centre who receive the repairs calls. Also uplifted by 1% for wage inflation.

	Management & Admin		Proposed	
		Budget 2012/13	Budget 2013/14	Notes
		£000	£000	
	<b>Staff Costs</b>			1
1	Salaries	6,409	6,003	
2	Overtime	69	70	
3	Superannuation	1,118	1,063	
4	N.I	511	481	
5	Other Staff Costs	253	245	
		<b>8,360</b>	<b>7,862</b>	
	<b>Premises Costs</b>			2
6	Rates	107	104	
7	Rent	30	30	
8	Insurance	2	2	
9	Electricity/Gas	70	63	
10	Void Properties	10	10	
11	Rubbish Removal	21	21	
12	Cleaning	114	114	
13	Repairs and Maintenance	45	34	
14	Security	51	51	
		<b>450</b>	<b>429</b>	
	<b>Administration Costs</b>			2
15	Printing	82	89	
16	Photocopying	19	19	
17	Stationery	30	31	
18	Subscriptions	16	22	
19	Postages	87	101	
20	Telephones	35	50	
21	Bank Charges(inc Cash in transit	76	77	
22	Advertising	49	44	
23	Course Expenses	93	100	
24	Legal Expenses	18	1	
25	Former Tenants Arrears	3	1	
26	Tenants Participation Expenses	0	20	
		<b>508</b>	<b>555</b>	



				<b>Proposed</b>
		<b>Budget</b>		<b>Budget</b>
		<b>2012/13</b>		<b>2013/14</b>
		<b>£000</b>		<b>£000</b>
				<b>Notes</b>
	<b>Transport Costs</b>			2
27	Travel Costs	94		99
		<b>94</b>		<b>99</b>
	<b>Supplies &amp; Services</b>			2
28	Equipment Purchases	57		69
29	Computer Software Support	18		15
30	Sundry Outlays	110		153
		<b>185</b>		<b>237</b>
	<b>Corporate/Directorate Recharge</b>			
31	Corporate/Directorate Recharges	2,020		2,366
		<b>2,020</b>		<b>2,366</b>
	<b>Expense Total</b>	<b>11,617</b>		<b>11,548</b>
	<b>Income</b>			
	Recharges:-			
34	Management & Admin – HRA	(8,453)		(8,582)
35	Tenants Participation – HRA	(238)		(206)
36	Other Housing	(289)		(330)
37	Homeless Persons	(160)		(149)
38	Housing Capital	(1,232)		(1,044)
		<b>(10,372)</b>		<b>(10,311)</b>
39	Hostel - Rents	(1,245)		(1,237)
	<b>Income Total</b>	<b>(11,617)</b>		<b>(11,548)</b>
	<b>Net Expenditure</b>	<b>0</b>		<b>0</b>

## MANAGEMENT AND ADMINISTRATION BUDGET

### Variances and Notes

The 2013/14 budget for management and administration is based on the updated structure of Housing.

**1. Staff Costs**

Staff costs have been increased to reflect annual salary increments and increases in employers' superannuation and national insurance costs. The element for the Corporate Director and Heads of Service for Housing and Environment previously included within this budget has been moved to the Corporate/Directorate Charges. This has resulted in a reduction in the staff costs budget.

**2. Premises Costs, Fees & Charges, Administration Costs, Transport Costs, Supplies and Services**

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

**3. 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, Corporate Director and Heads of Service (as per note 1) etc.

## Miscellaneous Rents

<b>Heat with Rent – 48 week basis</b>		
	<b>Previous</b>	<b>Proposed</b>
<b>Gas Heated Properties</b>	<b>£</b>	<b>£</b>
Bedsits	8.25	9.05
1 bed roomed flats	8.95	9.85
2 bed roomed flats	9.25	10.25
3 bed roomed flats	10.35	11.45
<b>Electrically Heated Properties</b>		
Bedsits	9.25	10.05
1 bed roomed flats	9.95	10.85
2 bed roomed flats	10.65	11.65
3 bed roomed flats	11.35	12.45
<b>CHP Properties</b>		
All 1 Bed roomed Properties	8.90	9.80
All 2 Bed roomed Properties	9.40	10.40
All 3 Bed roomed Properties	10.10	11.20

ABERDEEN CITY COUNCIL HOUSING REVENUE ACCOUNT						
Proposed Increase to be included in the HRA budget – Miscellaneous Rents						
		2013/2014				
		Current	Proposed	Increase	Percentage	Additional
		Rental	Rental	Per Week	Increase	Income
Note	Miscellaneous Increases	£	£	£	%	£
1	Garages	9.10	10.00	0.90	9.89	89,078
	Denburn and West North Street Spaces	4.40	4.55	0.15	3.41	4,514
	Garages Sites	3.70	3.85	0.15	4.05	1,771
	Car Ports	4.10	4.25	0.15	3.66	1,037
2	Car Parking Spaces – Local Residents	3.40	3.40	0	0	0
2	Parking Spaces Non Local Residents	35.00	35.00	0	0	0
3	Window Cleaning	0.85	0.85	0	0	0
3	Meals at Denmore & Kingswood	35.00	35.00	0	0	0
	Mortgage Reference Fees	60.00	62.00	2.00	3.33	56
4	Guest Rooms	10.00 & 15.00	10.00 & 15.00	0	0	0
5	Owners Administration fees	16.13	38.59	22.46	139.24	11,544
						<b>108,001</b>
	<b>General Services</b>					
	<b>Housing – Homeless Account</b>					
	Clinterty Caravan Site	79.00	82.00	3.00	3.80	5,040
						5,040
	<b>Accommodation Units (Grant Funded)</b>					
	Adult (first2)	54.00	56.00	2.00	3.70	27,500
	Child	36.00	37.00	1.00	2.78	6,875
						<b>34,375</b>

The above proposed prices for 2013/14 have been increased broadly in line with the proposed rental increase subject to:

Note 1 This increase was agreed as part of the revised rent structure on 28<sup>th</sup> August 2012 but has yet to be implemented.

Note 2 These charges will be part of the overall review by EP&I on Parking.

Note 3 These charges are being considered as part of the overall review of Housing for Varying Needs. In 2011/12 there for a shortfall of £34K from the provision of meals

Note 4 These charges were agreed at H& E Committee on 28 August 2012 therefore do not require review.

Note 5 This is an annual charge per owner and the increase reflects the Property Factors Act which was introduced on 1<sup>st</sup> October 2012, revised fees have not been introduced to date.

### Heat with Rent calculations for 2013/14

It was agreed in the 2012/13 budget process to apply an **increase of 50p per week for bedsits, 60p per week for 1 bed roomed dwellings, 70p per week for 2 bed roomed dwelling and 80p per week for 3 bed roomed dwellings** across all the Council's Heat with Rent properties. Similar increases will be required for the next three years to cover the costs.

It was noted that a review of consumption and 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 above increases would be subject to change for the next 3 years.

The Bank of England anticipates that gas prices may rise by 15% & electricity by 10% during this winter. 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 80p per week for bedsits, 90p per week for 1 bed roomed dwellings, £1.00 per week for 2 bed roomed dwelling and £1.10 per week for 3 bed roomed dwellings** across all the Council's Heat with Rent properties in 2013/14.

For 2013/14 revised rates will result in **increases of between 8.6% and 10.8%**.

This would generate sufficient income to ensure the Housing Revenue Account would break 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 to Council £000</b>	<b>Estimated 4 year income to cover costs £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 2013/14:

**for electrically and oil heated properties:**

Bedsits	10.05	Increase of 8.6%
1 bed roomed dwellings	10.85	Increase of 9.04%
2 bed roomed dwellings	11.65	Increase of 9.38%
3 bed roomed dwellings	12.45	Increase of 9.6%

**for gas heated properties:**

Bedsits	9.05	Increase of 9.6%
1 bed roomed dwellings	9.85	Increase of 10.05%
2 bed roomed dwellings	10.25	Increase of 10.8%
3 bed roomed dwellings	11.45	Increase of 10.6%

**for CHP heated properties:**

1 bed roomed dwellings	9.80	Increase of 10.1%
2 bed roomed dwellings	10.40	Increase of 10.6%
3 bed roomed dwellings	11.20	Increase of 10.89%

## **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 were.

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 that the 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.

Furthermore, a questionnaire was sent out to tenants in July 2012 to ascertain views on the possible rent increase of inflation plus 1%. The table below shows the results 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>	266	75
<b>No</b>	84	23
<b>Don't know</b>	6	2
<b>Total</b>	356	100

**Presentations and question and answer sessions were also held with tenants to discuss the budgets.**

Housing Revenue Account		Budget	Budget	Budget	Notes
		2013/14	2014/15	2015/16	
		£000	£000	£000	
<b>Premises Costs</b>					
1	Rates	3	3	3	
2	Rent	138	141	145	3
3	Repairs and Maintenance	22,042	22,564	23,100	1
4	Maintenance of Grounds	3,045	3,075	3,106	2
5	Gas	674	691	708	3
6	Electricity	2,420	2,481	2,543	3
7	Cleaning Service	542	542	542	3
8	Security Service	372	376	379	2
9	Window Cleaning	19	19	19	
10	Refuse Collection	325	328	332	2
11	Cleaning - Payments to Contractor	453	458	463	2
12	Premises Insurance	57	58	60	3
13	Other Property Costs - Council Tax	122	122	122	
		<b>30,212</b>	<b>30,858</b>	<b>31,522</b>	
<b>Administration Costs</b>					
14	Down sizing Grants/Direct Debit Incentives	52	52	52	
15	Legal Expenses	201	201	201	
16	Office Tel / Rent	88	90	92	3
17	Former Tenants Arrears	1,379	1,379	1,379	
18	Charges - Services Admin & Management	8,582	8,668	8,747	
19	General Consultancy	55	55	55	2
20	Training for Front Line Staff	100	100	100	
21	Benefits Staff	95	96	97	2
22	Charges - Tenants Participation	206	208	210	2
23	Charges for Environmental Health	227	229	232	2
		<b>10,985</b>	<b>11,078</b>	<b>11,165</b>	
<b>Supplies &amp; Services</b>					
24	Provision of Meals	168	169	171	
25	Equipment Purchase	55	55	55	
26	Television Licence	5	5	5	
27	Integrated Housing System	314	314	314	
		<b>542</b>	<b>543</b>	<b>545</b>	



	<b>Housing Revenue Account</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	
		<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>Notes</b>
	<b>Agencies</b>				
28	Mediation Service	98	99	99	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	414	418	422	2
33	Loss of Rent - Council Houses	722	747	773	4
34	Loss of Rent - Garages, Parking etc	211	218	226	4
35	Loss of Rent - Modernisation Works	50	53	54	4
36	Supporting People Contribution	406	406	406	
37	CFCR	22,116	22,783	23,570	
		<b>23,919</b>	<b>24,625</b>	<b>25,451</b>	
	<b>Capital Financing Costs</b>				
38	Loans Fund Instalment	3,903	4,794	5,715	
39	Loans Fund Interest	9,559	10,263	10,829	
40	Heating Leasing Payment	131	131	131	
		<b>13,593</b>	<b>15,188</b>	<b>16,675</b>	
	<b>Expense Total</b>	<b>79,482</b>	<b>82,525</b>	<b>85,593</b>	
	<b>Income</b>				
41	Government Grant – General	(234)	(234)	(234)	
42	Ground Rentals	(27)	(27)	(27)	
43	Dwelling Houses Rent Income	(76,589)	(79,632)	(82,700)	4
44	Housing - Heat with Rent Income	(1,459)	(1,459)	(1,459)	
45	Housing - Garages Rent Income	(1,087)	(1,087)	(1,087)	
46	Housing - Parking Spaces Rent	(187)	(187)	(187)	
47	Housing - Insurance Income	(2)	(2)	(2)	
48	Housing - Other Service Charge	(489)	(489)	(489)	
49	Legal Expenses	(260)	(260)	(260)	
50	Revenue Balance Interest	(148)	(148)	(148)	
	<b>Income Total</b>	<b>(80,482)</b>	<b>(83,525)</b>	<b>(86,593)</b>	
	<b>Net Expenditure</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(1,000)</b>	
	Current Minimum Working Balances	3,974	4,126	4,280	
	Actual Working Balance	5,200	6,200	7,200	

## **HOUSING REVENUE ACCOUNT THREE YEAR BUDGET ASSUMPTIONS**

### **1. Repairs and Maintenance**

The analysis of the three year budget is included within this booklet (page 27). The budget has been uplifted by 2.5% in 2014/15 and 2015/16. The fee element has been uplifted by 1% to reflect the salary uplift.

### **2. Maintenance of Grounds, Security Service, Refuse Collection, Cleaning – Payments to Contractors, General Consultancy, Benefits staff, Charges – Tenants Participation, Charges for Environmental Health, Mediation Service, Energy Advice, Disabled Persons Housing Service, Aberdeen Families Project**

As these budgets are principally for staffing within the Council an uplift of 1% has been applied to reflect the anticipated public sector pay awards.

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

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

### **4. Dwelling Houses Rent Income and Transfer Payments**

The budgeted income from dwelling house rent is calculated by using the anticipated income from the new rent structure uplifted by the potential rent increase of 4.1% for 2013/14 and then uplifting each year by 3.5% (RPIX of 2.5% used in the business plan plus 1%) less a projected reduction in stock of 50 each year.

HOUSING REPAIRS DRAFT BUDGET		Base Budget 2013/14 £000	Base Budget 2014/15 £000	Base Budget 2015/16 £000
<b>PLANNED AND CYCLICAL MAINTENANCE</b>				
1	External Joiner work Repairs including external paintwork etc.	1,500	1,538	1,576
2	Boiler Maintenance - Extra Care Housing	300	308	315
3	Controlled Entry Systems – Maintenance	370	379	389
4	Fire Precautions - Servicing & Renewal of Equipment inc. Smoke Detectors & Dry Risers	220	226	231
5	Flat Roofs/Dormers – Renewal & Insulation	50	51	53
6	Common Rooms - Replacement of Furniture	40	41	42
7	Gas Servicing, Maintenance and Repair	2,885	2,957	3,031
8	Laundry Equipment Replacement & Maintenance	60	62	63
9	Legionella Testing incl. Repair/Renewal of Tanks	60	62	63
10	Lift Maintenance	350	359	368
11	Mutual Repairs outwith Housing Action Areas	25	26	26
12	Pumps & Fans - Maintenance & Renewal	120	123	126
13	Extra Care Housing - Replacement of Carpets, furnishings etc	40	41	42
14	Standby Generators – Maintenance	120	123	126
15	Warden call systems- Maintenance and Repair	90	92	95
16	Provision of Community Alarm	230	236	242
17	Environmental Improvements	1,200	1,230	1,261
18	Relets	3,550	3,636	3,729
19	Asbestos	200	205	210
<b>Planned/Cyclical Maintenance Sub Total</b>		<b>11,410</b>	<b>11,695</b>	<b>11,988</b>
<b>DAY TO DAY RESPONSE MAINTENANCE</b>				
20	Blacksmith General incl. Renewing & Repairing Rotary Driers/Handrails	160	164	168
21	Car Park Repairs	15	15	16
22	Chimney heads - Repointing and Rebuilding	5	5	5
23	Condensation - Treatment of Walls	100	103	105
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	250	256	263
27	Fire Damage Repairs	300	308	315
28	Garage Repairs	50	51	53
29	Glazier work	150	154	158
30	Joiner work – General Repairs	2,400	2,457	2,519
31	Mason work and Water Penetration Repairs	350	359	368
32	Minor Environmental Services	560	574	588
33	Plasterwork – General	270	277	284
34	Plumber work – General	1,150	1,179	1,208
35	Slater work	800	820	841
36	Snow Clearance	52	53	55
37	TV Aerial	150	154	158
38	Rubbish Removal	140	144	147
39	Vandalism	100	103	105
40	Water Services Charges	10	10	11
<b>Day to Day Response Maintenance Total</b>		<b>8,732</b>	<b>8,950</b>	<b>9,174</b>
<b>Chargeable Repairs</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>HOUSING REPAIRS TOTAL</b>		<b>20,142</b>	<b>20,645</b>	<b>21,162</b>
	Fees	1,900	1,919	1,938
<b>TOTAL REPAIRS AND MAINTENANCE BUDGET</b>		<b>22,042</b>	<b>22,564</b>	<b>23,100</b>

	<b>Management &amp; Admin</b>			
		<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
		<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>Staff Costs</b>			
1	Salaries	6,003	6,063	6,124
2	Overtime	70	71	71
3	Superannuation	1,063	1,074	1,084
4	N.I	481	486	491
5	Other Staff Costs	245	247	250
		<b>7,862</b>	<b>7,941</b>	<b>8,020</b>
	<b>Premises Costs</b>			
6	Rates	104	107	109
7	Rent	30	31	31
8	Insurance	2	2	2
9	Electricity/Gas	63	65	66
10	Void Properties	10	10	10
11	Rubbish Removal	21	22	22
12	Cleaning	114	116	119
13	Repairs and Maintenance	34	35	36
14	Security	51	52	53
		<b>429</b>	<b>440</b>	<b>448</b>
	<b>Administration Costs</b>			
15	Printing	89	91	93
16	Photocopying	19	19	20
17	Stationery	31	32	32
18	Subscriptions	22	23	23
19	Postages	101	103	106
20	Telephones	50	51	52
21	Bank Charges	77	79	81
22	Advertising	44	45	46
23	Course Expenses	100	103	105
24	Legal Expenses	1	1	1
25	Former Tenants Arrears	1	1	1
26	Tenants Participation Costs	20	21	21
		<b>555</b>	<b>569</b>	<b>581</b>

		<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
		<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>Transport Costs</b>			
27	Travel Costs	99	101	104
		<b>99</b>	<b>101</b>	<b>104</b>
	<b>Supplies &amp; Services</b>			
28	Equipment Purchases	69	71	72
29	Computer Software Support	15	15	15
30	Sundry Outlays	153	156	160
		<b>237</b>	<b>242</b>	<b>247</b>
	<b>Corporate/Directorate Recharge</b>			
33	Corporate/Directorate Recharge	2,366	2,390	2,414
		<b>2,366</b>	<b>2,390</b>	<b>2,414</b>
	<b>Expense Total</b>	<b>11,548</b>	<b>11,683</b>	<b>11,814</b>
	<b>Income</b>			
	Recharges:-			
34	Management & Admin – HRA	(8,582)	(8,669)	(8,751)
35	Tenants Participation – HRA	(206)	(208)	(210)
36	Recharges to Other Housing	(330)	(334)	(336)
37	Recharges to Homeless	(149)	(150)	(152)
38	Housing Capital	(1,044)	(1,054)	(1,065)
		<b>(10,311)</b>	<b>(10,415)</b>	<b>(10,514)</b>
39	Hostel – Rents	(1,237)	(1,268)	(1,300)
	<b>Income Total</b>	<b>(11,548)</b>	<b>(11,683)</b>	<b>(11,814)</b>
	<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

Draft Housing Capital Budget 2013/14 to 2015/16

Project	2013/14	2014/15	2015/16
	£000	£000	£000
<b>SCOTTISH HOUSING QUALITY STANDARDS</b>			
<b>1 Compliant with the tolerable standard</b>			
1.1 Major Repairs-	1,250	1,000	1,030
Roofs Renewal/Gutters/RWP/Roughcast			
Undertaking large scale repairs to Roofs/Gutters/RWP/Roughcast			
	1,250	1,000	1,030
<b>2 Free from Serious Disrepair</b>			
<b>2.1 Primary Building Elements</b>			
Structural Repairs Multi Storey	6,175	2,875	2,725
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	1,170	1,450	950
Structural works carried out in order to keep the building stable and structurally sound.			
<u>Secondary Building Elements</u>			
2.2 Upgrading Of Flat Roofs General	350	350	350
Replacement of existing roof covering and upgrading of insulation to meet current building regulations.			
2.3 Upgrade Flat Roofs Multi Storey	1,000	1,000	1,000
Full replacement of the flat roofs and also checking the replacement of roof ventilation as required			
2.5 Mono Pitched Types	530	500	500
Replacement of the external render of the building, replacement of gutters and downpipes, environmental works			
2.6 Window Replace General	600	500	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	0	0	0
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	1,165	90	90
Replacement of existing balcony glazing on a cyclical basis			
	11,050	6,825	6,175

	2013/14 £000	2014/15 £000	2015/16 £000
<b>3 Energy Efficient</b>			
<u>Effective insulation</u>			
3.1 Energy Efficiency – General Houses	220	0	220
3.2 General Houses Loft Insulation			
Installation of loft insulation where there is none previously or the topping up of existing insulation to comply with current building regulations.	50	50	50
<u>Efficient Heating</u>			
3.3 Heating Systems Replacement	4,950	4,100	3,500
Replacement of boiler/whole system as deemed necessary.			
3.4 Medical Need Heating	50	50	50
Installation of gas/electric heating depending on the medical assessment.			
This can be installing a completely new system, modifying or extending an existing system.			
3.5 Energy Efficiency Multi Blocks	1,500	1,500	1,500
Contribution to Aberdeen Heat & Power for the creation of Combined Heat & Power Plants			
3.6 Energy Efficiency Sheltered	250	350	250
Introduction of energy efficiency measures in extra care housing such as new or upgraded heating systems.			
<u>Additional Energy Efficiency measures</u>			
3.7 S.C.A.R.F	35	35	35
Payment to SCARF for work carried out by them under the Energy Efficiency programme to individual council properties. The work carried out includes the installation of loft insulation, draught proofing and compact fluorescent bulbs. Also providing tenants with energy efficiency advice and information.			
3.8 Solid Wall Insulation	250	150	150
3.9 Vestibule Doors	0	0	15
	<b>7,305</b>	<b>6,235</b>	<b>5,770</b>
<b>4 Modern Facilities &amp; Services</b>			
<u>Bathroom and Kitchen Condition</u>			
4.1 Modernisation Programme	13,894	13,111	12,979
Replacement of bathrooms and kitchens.			
	<b>13,894</b>	<b>13,111</b>	<b>12,979</b>
<b>5 Healthy, Safe &amp; Secure</b>			
<u>Healthy</u>			
5.1 Condensation Measures	50	50	50
Installation of heating systems and ventilation measures to combat condensation.			
<u>Safe</u>			
5.3 Rewiring	1,100	1,100	1,100
Replacement of cabling, fittings and distribution boards as necessary. This work is carried out in every property on a cyclical basis			
5.4 Lift Replacement Multi Storey/Major Blocks	1,000	1,000	1,000
Replacement of lifts where they are beyond economical repair. This can be full replacement or replacement of specific parts of the lift.			
5.5 Smoke Detectors – Common Areas Major Blocks	150	50	50

	2013/14 £000	2014/15 £000	2015/16 £000
<b>Healthy, Safe &amp; Secure (continued)</b>			
5.6 Services	50	50	50
Cyclical maintenance/replacement of the following services			
Ventilation Systems, water tanks/pipe work, refuse chutes/chamber, Dry risers systems, Standby Generators			
5.7 Entrance Halls/Concierge	50	50	50
Provision of security service			
5.8 Laundry Facilities	50	50	50
Replacement of laundry equipment			
5.9 Upgrading of Lighting	36	10	10
Installation of lighting controlled by photo cell i.e. 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	750	750	750
Upgrading of stairs and installation of security doors and door entry systems			
	<b>3,476</b>	<b>3,350</b>	<b>3,350</b>

#### **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	300	400	400
Refurbishment of properties or environmental improvements in designated areas.			
6.5 Regeneration/Acquisition of Land or Houses	300	500	1000
Early Action projects linked to Regeneration and Master planning 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	650	250	150
Provision of specialist facilities or housing for tenants with particular needs i.e. extensions			
6.9 Housing For Varying Needs- Amenity/Adaptations	200	150	100
Conversion of properties to Amenity Level standard			
6.10 Housing For Varying Needs- Extra Care/Adaptations	150	100	100
Adaptations required to ensure existing sheltered housing stock meets current standards			
6.11 Roads	100	100	100
Upgrade of Roads to an adoptable standard			
6.12 Paths	100	100	100
Formation or upgrading of paths			
6.13 Garages	0	0	0
Upgrade of Garages			
6.14 New Affordable Housing	600	400	0
	<b>4,100</b>	<b>3,700</b>	<b>3,650</b>



	2013/14	2014/15	2015/16
	£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	100	100
Various items of IT equipment including hardware and software			
7.3 Integrated Housing System	100	100	100
Various purchase of PC's and software packages			
	<u>250</u>	<u>250</u>	<u>250</u>
<b>9 Service Expenditure</b>			
Corporate Fees	5,605	4,859	4,745
	<u>5,605</u>	<u>4,859</u>	<u>4,745</u>
<b>Gross Programme</b>	<b><u>46,930</u></b>	<b><u>39,330</u></b>	<b><u>37,949</u></b>
Less Slippage	(5,397)	(4,525)	(4,366)
<b>Net Programme</b>	<b>41,533</b>	<b>34,805</b>	<b>33,583</b>
Financed by :-			
Borrowing	17,917	12,022	10,013
Scottish Government Grant Funding – New Build	0	0	0
SEE Grant Funding	1,500	0	0
CFCR (Capital Financed From Current Revenue)	22,116	22,783	23,570
Total Funding	<u><u>41,533</u></u>	<u><u>34,805</u></u>	<u><u>33,583</u></u>