

Budget Strategy for Place – Housing

Summary

General Fund Only	Budget 2011/12 £'000	Propose d Budget 2012/13 £'000	% change	Indicati ve Budget 2013/14 £'000	% chang e
Commissioner - Housing	16,476	15,347	-6.9	14,433	-6.0
Delivery Unit - Housing & Social Inclusion	299	502	+67.9	512	2.0
Total Housing	16,775	15,849	-5.5	14,945	-5.7

Strategic Financial Context

- National changes to welfare benefits are expected to impact on the numbers of people presenting as homeless in the city placing pressures on available accommodation and spend
- Potential changes to benefits for those in temporary accommodation could impact in the medium term on the council's costs
- The domestic sector in Brighton & Hove contributes 42% of our total carbon emissions per capita. There have been very significant funding reductions at national level available for private sector renewal and there is currently no private sector housing renewal capital programme for 2012/13 onwards
- There is good evidence that spending on housing related support through the Supporting People budget helps to sustain vulnerable people living independently with positive financial benefits to children's and adult social care budgets

Key Changes arising from this Budget Strategy

In 2012/13

- There will be a small efficiency reduction in spend on Supporting People in line with the business plans agreed with providers
- Spend from the Preventing Homelessness Grant will be protected
- We will refocus our private sector housing renewal service on the highest priority areas, including better conditions in private rented homes, achieving additional income to cover our costs where possible and appropriate

- We will continue to use leasing to secure cost effective temporary accommodation

In 2013/14

- We will consult on further reductions in spend on Supporting People to achieve the same outcomes for vulnerable people through greater coordination and consolidation of service provision

Housing Revenue Account

Strategic Financial Context

- The current HRA subsidy system is being dismantled and replaced by a model of self financing
- There is a clear existing strategy to improve value for money and reduce unit costs, those savings are reinvested in housing commissioning priorities to tackle inequality, promote financial inclusion and to fund capital investment
- Rents must be calculated in accordance with the government's rent restructuring rules
- Planned investment in solar PV is severely affected by recent government changes to the levels of feed in tariffs payable

In 2012/13

- We will implement phase 3 of the Customer Access review
- There will be savings from the introduction of open book accounting for the Housing Repairs contract
- There are savings from final calculations of TUPE costs
- There will be savings from the annual rebasing of the gas servicing and installation open book contract
- There will be a reduction in the management costs associated with temporary accommodation properties following the leasing to Brighton & Hove Seaside Community Homes

In 2013/14

- We will continue with the strategies in 2013/14