

## Summary - Green Group HRA Budget Amendment - Green Group

We deplore the proposed 'inflation plus' increases to Council rents and charges at a time when Council tenants are under seige from the benefit cap and bedroom tax. The Council is no longer required by central government to follow the so-called convergence formula (aimed at converging private and public sector rents) and many Council's have now abandoned this.

The Council's proposed 4.6% average rent increase on top of service charge increases is going to hit tenants hard. Note that the Council profits from Council house rents earning £m's more than is required to maintain the housing stock.

The surplus is used to support the Council's ambitious capital programme, to be used to fund new housing and other new projects. We believe that it is possible to find other means of funding these worthy projects (by borrowing against future rental income, for example) lightening the burden on today's hard-pressed Council tenants.

Such a radical re-think of our capital funding programme is beyond the scope of a budget amendment, but to indicate what is possible within the current budget framework, we have reversed the proposed service charge increase.

PROPOSED AMENDMENTS TO THE ADMINISTRATIONS CONSULTATION BUDGET HRA	GREEN GROUP			
	2013/14 £000'S	2014/15 £000'S	2015/16 £000'S	2016/17 £000'S
Reduce Service Charge increase (we still support better redistribution of this)	100	100	100	100
Revised Total Income	(42,718)	(44,437)	(46,478)	(48,316)
Total Expenditure (unchanged)	34,480	35,039	35,422	35,832
Net Operating Expenditure/(Income)	(8,238)	(9,398)	(11,056)	(12,484)
Total Appropriations	11,467	10,709	6,541	15,714
ANNUAL (SURPLUS) / DEFICIT	3,229	1,311	(4,515)	3,230
Opening Balance	(8,799)	(5,570)	(4,259)	(8,774)
Closing Balance	(5,570)	(4,259)	(8,774)	(5,544)

This page is intentionally left blank