

RECORD OF EXECUTIVE DECISION

Tuesday, 5 November 2019

Decision No: (OD 18/19 24175)

DECISION-MAKER:	OFFICER DECISION MAKING - SERVICE DIRECTOR - ADULTS, HOUSING & COMMUNITIES
PORTFOLIO AREA:	Cabinet Member for Homes and Culture
SUBJECT:	Landlord Controlled Heating
AUTHOR:	Paul Cunliffe

THE DECISION

- (i) To agree that charges to tenants for landlord controlled heating will increase by 4.5%, with effect from 6 January 2020; and
- (ii) To agree that, for the residents of International Way, Erskine Court, Sturminster House and Shirley Towers, the unit charge will remain unchanged

REASONS FOR THE DECISION

The financial outturn for 2018/19 shows that the surplus on the heating account has reduced from £1,236,000 to £702,000 during the financial year. The surplus at 31st March 2019 is £108,000 lower than forecast in August 2018 due to lower income from leaseholders and tenants. However, it is likely that there are a number of estimated bills included in this usage that do not accurately reflect the colder weather between January and March.

The surplus has enabled the re-payment of the loan of £391,000 made by the HRA to the heating account in 2013/14

The surplus generated by International Way has reduced and stabilised, and the new heat energy systems at Erskine Court, Sturminster House and Shirley Towers are being monitored closely to ensure full recovery of costs.

These recommendations will ensure that tenants are charged fairly for the costs of heating their properties, use the current surplus on the account to reduce the potential increase to tenants in the current year, and ensure the medium term sustainability of the heating account.

DETAILS OF ANY ALTERNATIVE OPTIONS

Alternative options are to increase charges in line with energy inflation, or to freeze charges for a third year in order to reduce the existing surplus more quickly. The former option will not materially affect the surplus on the account, which is contrary to policy, whereas the latter option, while reducing the surplus, will lead to larger increases being required in later years that would be greater than fuel inflation.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

No

CONFLICTS OF INTEREST

No

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date:

Decision Maker:

SERVICE DIRECTOR - ADULTS,
HOUSING & COMMUNITIES

Proper Officer:

Ed Grimshaw

SCRUTINY

Note: This decision will come in to force at the expiry of 5 clear days (as set out in the Constitution) from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*