

CABINET (HOUSING) COMMITTEE – 30 JANUARY 2013

CABINET – 13 FEBRUARY 2013

THE OVERVIEW AND SCRUTINY COMMITTEE – 18 FEBRUARY 2013

HOUSING REVENUE ACCOUNT BUDGET 2013/14 AND BUSINESS PLAN –  
2013/14 TO 2043/44

REPORT OF HEAD OF HOUSING SERVICES

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RECENT REFERENCES:

CAB2287 – Housing Revenue Account Budget 2012/13 and Business Plan 2012/13 to 2042/43 dated 1 February 2012

CAB2423 - Housing Revenue Account – 2013/14 Rent Setting and Budget/Business Plan Options dated 12 December 2012

EXECUTIVE SUMMARY:

The Business Plan summarised in this report provides an update to the Plan approved by Council in February 2012. It builds on the updated plan that was presented to this Committee on 10 December 2012. The Plan has been amended to take account of current spending plans, changes approved over the last year and in particular the rent increase and service changes approved by Council at its meeting on 9 January 2013. The increased investment in maintenance and the establishment of a programme of building new Council homes remain the key priorities for the service, although additional measures to mitigate the impact of welfare reform and to address under occupation of family homes are also now included.

The report also proposes the HRA budget for 2013/14, which has taken full account of the proposals in the Business Plan and their funding requirements.

RECOMMENDATIONS:

That, subject to consideration of comments from TACT, the Committee recommend to Cabinet and to Council:

- 1 That the HRA Revised budget for 2012/13 and the Budget for 2013/14 as set out in the Appendices 1 and 2 be approved.
- 2 That the HRA business plan as set out in appendices 3 and 4 be approved.
- 3 That the Housing Capital programme as set out in Appendix 5 be approved.
- 4 That the 2013/14 Maintenance Programme as set out in Appendix 6 be approved.
- 5 That the treatment of surpluses and debt as set out in paragraph 3 be noted and the forecast amount of debt to be repaid at 31 March 2013 be approved at £3.5M.
- 6 That the Business Plan priorities as set out in paragraph 4 of the report and the key service priorities for 2013/14 as detailed in Appendix 7 be approved.

That The Overview and Scrutiny Committee:

- 7 Considers any recommendations it wishes to make to the Council for its consideration of the proposed HRA Business Plan or budget for 2013/14.

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DETAIL:

1 Introduction

- 1.1 All councils that still hold housing stock have a requirement to produce a 30 year business plan demonstrating how they intend to manage their HRA to support the long term management of housing. This requirement became even more essential from April 2012, with the introduction of self-financing, which effectively saw the transfer of all financial risk in relation to the HRA to the Council.
- 1.2 The Business Plan approved by Council in February 2012 (CAB2287(HSG) refers) set out how services could be sustained over the next 30 years and how it was proposed to manage the £157m of new debt the Council had to take on. An updated plan was presented to this Committee at the meeting on 10 December. This report builds on that report and highlights how the Business Plan has been amended to reflect the first year of self-financing and the proposals for rent increases and service changes approved by Council on 9 January 2013.
- 1.3 This report includes extracts from the proposed update to the Business Plan in the appendices highlighting short term maintenance programmes, longer term investment requirements, key service priorities, performance indicators and key elements of risk management.
- 1.4 This report also considers the proposals for the HRA Budget for 2013/14, which underpins all the proposals and priorities set out in the Business Plan.

2 The HRA Business Plan – 2013 Update

- 2.1 The key assumptions included within the Business Plan, along with details in relation to sensitivity testing, provision for minimum balances and proposals for the 2013/14 rent increase and growth items were all set out in CAB2423(HSG) in December 2012.
- 2.2 Since then, the HRA Business Plan has been updated and moved on one year so that 2013/14 is now year 1 of the plan. The key assumptions have not required any amendment. The latest estimates for 2013/14 now form the basis for the Plan and are included as Appendix 3 and 4 to this report. Since

the Plan was last presented to this Committee in December 2012 several changes have taken place which are detailed below.

- 2.3 The Business Plan Revenue Account detailed in Appendix 3 to this report shows the impact of current and proposed service levels and investment plans over the next 30 years. Whilst surpluses increase significantly in the later years, funding remains relatively tight throughout the first 15 years.
- 2.4 Right to Buy Sales - RTB sales have increased in the last few weeks and it is now expected that there will be 17 sales in 2012/13, compared to 6 that was previously forecast. Increased levels of sales are also now assumed for 2013/14 and subsequent years. These sales levels, together with the agreement signed with CLG in June 2012 that enables the Council to keep "extra receipts", mean that the HRA will have additional useable RTB receipts of approximately £0.9M in 2012/13. Of this, £0.4M is available to fund any HRA capital spending but the balance of nearly £0.5M must be used to help pay for new build. It should be noted that it is not permissible to use any of these additional receipts on the General Fund.
- 2.5 Capital Expenditure - The capital budget for Disabled Adaptations has been reduced by £100,000 and the revenue budget increased accordingly. The additional schemes referred to in 6.2 below have also been included for the period 2013/14 to 2016/17, pending a full review of the spending requirements following the results of the stock condition survey later this year.
- 2.6 Transfer to New Build Reserve - It is no longer proposed to transfer in full the unspent balances on the new build capital programme into an earmarked reserve. This is because the early years of the New Build Programme are substantially financed by borrowing. A direct consequence of lower spending is that the borrowing requirements are also lower. It is therefore proposed to review the borrowing requirements as a consequence of the revised spending plans with a view to minimising the borrowing, and hence the costs to the HRA. This will affect the amount to be transferred to the New Build Reserve, although it is envisaged that such a reserve will be needed in the future, for example to facilitate continuity of the programme across a financial year end (slippage), and further into the future as the programme becomes self-funded. The forecast transfer to the New Build Reserve at the end of 2012/13 has been assumed at NIL. The actual amount to be transferred will be determined after the year end when the outturn is known.

### 3 Borrowing Costs and Assumptions

- 3.1 The report to this Committee on 10 December 2012 indicated that the internal borrowing arrangements between the HRA and General fund were being reviewed.
- 3.2 The HRA debt cap has been set by the Government at £166.853M; and this is financed by £156.722M external borrowing from the Public Works Loan Board and £10.131M internal borrowing from the General Fund (GF).

- 3.3 When determining the borrowing requirements for 2013/14, it is necessary to consider both the forecast opening balance at 1 April 2013 and the closing balance at 31 March 2014. When considering the borrowing options (particularly the term) it is necessary to consider the whole period of the Business Plan.
- 3.4 At 1 April 2013, the forecasts are showing a £3.5M reduction to the borrowing requirement, and it is assumed that the internal debt between the HRA and the GF will be reduced by this amount. The actual level of borrowing will be confirmed or updated as part of the year end closure of the Accounts.
- 3.5 Whilst the HRA has short term cash surpluses, the business plan indicates that there is likely to be a need to reborrow over the next few years; £1.8M in 2014/15; £0.65M in 2015/16, and £0.25M in 2016/17. This means that the latest plan assumes that a permanent repayment of £0.8M is possible.
- 3.6 The interest rate applied to internal borrowing is the PWLB 3 month variable loan rate (forecast rate for 2013/14 is 1.3%). To the extent that the HRA had more surplus cash this would attract interest at the risk free Debt Management Office rate (forecast rate for 2013/14 is 0.25%, compared to 0.5% previously assumed).
- 3.7 Over time, the internal borrowing /lending between the GF and HRA will change and the Treasury Management Strategy will seek to minimise the overall borrowing costs for the Council and optimise internal lending. It is assumed that the General Fund will itself need to externally borrow over time and that a precursor to this would be that the HRA's debt would be fully externalised. It is however assumed that will now take place one year later, by 2016/17. The interest charges to the HRA in 2013/14 are therefore approximately £200,000 less than previously forecast.
- 3.8 The reduction of the interest rate that the HRA receives on its short term revenue balances, coupled with the proposal to use some of the balances to repay the internal loan, means that interest credited to the HRA will be lower. The forecast interest receivable by the HRA is approximately £17,000 less than previously forecast.
- 3.9 The combination of these changes means that there are interest savings to the HRA, particularly in the period 2013/14 to 2015/16.

#### 4 Key Business Plan Priorities

- 4.1 The Business Plan has been developed with close regard to the Council's Change Plans and the results from tenant satisfaction surveys and focus groups. Investing in repairs and the quality of tenants homes is consistently rated as tenants highest priority, with the quality of neighbourhoods and estates also being seen as important. Tenant focus groups have also identified a clear aspiration for some investment in discretionary areas such as internal decoration and other small home improvement schemes.
- 4.2 With demand for affordable housing and the numbers of the Council's waiting list being so high, it is essential that the Plan seeks to make best use of stock,

assets and land to address this issue. The new build programme, along with other proposals for adapting stock and incentivising downsizing will all contribute to this.

- 4.3 In addition to the traditional landlord responsibilities, such as tenancy management and repairs the role that social landlords can play to address health and wellbeing of tenants is becoming an increasing focus for the Government and the Homes and Communities Agency, who regulate and set standards for all registered providers. National standards for social housing now promote measures to tackle deprivation and worklessness and to promote healthy lifestyles, all of which can impact on tenants ability to sustain their tenancies. The Business Plan includes provision to support programmes aimed at improving opportunities for tenants and promote improved community cohesion.
- 4.4 Service objectives and proposed actions for 2013/14 are detailed in Appendix 7 and take full account of the following priorities:
- a) Investing in existing homes and ensuring all key elements (kitchens, bathrooms, roofs doors windows etc are brought up to date by 2022.
  - b) Delivering the New Homes programme in accordance with the approved programme.
  - c) Adapting existing stock to assist in meeting housing need (disabled adaptations, loft conversions to address overcrowding, converting unused communal areas into homes, etc)
  - d) Improving estates and neighbourhoods, with an emphasis on ensuring investment directly benefits Council tenants.
  - e) Measures to mitigate the impact of welfare reform, providing support to tenants and ensuring potential arrears of rent are minimised.
  - f) Tenant Involvement – There will be a continued emphasis on promoting direct involvement and ensuring tenants remain at the heart of all housing services.
  - g) Sheltered Housing/Older People – Whilst we will continue to reduce to overall number of sheltered units, we will be seeking to invest in remaining schemes to make sure they are an attractive housing option. We are also working on increasing provision of Extra Care
  - h) Addressing Under Occupation – A range of initiatives will be explored to address under occupation and to free up family homes, including both “carrots” and “sticks”. This could involve financial incentives, a more intensive support service and additional benefits.
  - i) Delivering Value for Money – Operating costs are below average for the Council’s Landlord Services and performance overall compares well to other landlords (see CAB446(HSG) elsewhere on this agenda. The Council will continue to set targets to achieve efficiencies and

maintain revenue costs below the average for the sector, despite ambitious capital investment programmes.

## 5 The New Build Programme

- 5.1 Work to establish a new build programme has progressed well, with one scheme already on site and two others having achieved planning approval. The current programme is detailed in Appendix 5. The Business Plan capital account shown in Appendix 4 illustrates current investment proposals for the programme, with £51m being allocated to support new build over the next 10 years and £200m over the life of the Business Plan.

## 6 Repairs and Renewals

- 6.1 The long term investment plan for maintenance and repairs included in the Business Plan continues to take account of the desktop update of the 30% Stock Condition Survey completed in 2003. A full 100% Stock Survey will be completed early in 2013 and the investment plans will be amended in light of this. However, the next 10 years will aim to ensure all key property elements are brought reasonably up to date over that period.
- 6.2 The annual investment Plan approved in February 2012 (CAB2287(HSG) refers) approved significant additional investment in repairs. The programme for 2013/14, as detailed in Appendix 5 and 6, represents year 2 of the 10 year programme referred to in 6.1 above. It reflects the revisions approved in December 2012 (CAB2417(HSG) refers) and also proposes additional investment in the following areas:
- a) Mechanical Extract Ventilation – £300,000 - Measures to address condensation problems in Council stock were approved in September 2012 (CAB2288(HSG) refers).
  - b) Miscellaneous Internal works – £50,000 - The reintroduction of the internal decoration programme has resulted in an increase in associated repairs (plastering for example).
  - c) Garage Repairs - £80,000 – the 2012/13 programme represented a doubling of investment in garages. However, a survey of garages has identified the need for further investment.
  - d) Underground services – £50,000 - Costs associated with underground services (mainly drainage) have increased in the last year and it is considered appropriate to make provision for a similar level for 2013/14.
  - e) Investment in Renewable Energy – £200,000 -The Council has attracted significant grant funding in the last year to fund improvements to rural heating systems.
  - f) Loft Conversions – Funding for loft conversions in the 2012/13 Plan was included within the New Build/Stock Adaptation provision. It is proposed that it be separately identified for 2013/14 and beyond.

6.3 These additional items are partly offset by significant savings achieved as a result of re-tendering the gas maintenance and boiler installation contracts, which saw a 15% reduction in contract costs.

## 7 Adequacy of Reserves and Robustness of Estimates

7.1 There are specific requirements under Section 25 of the Local Government Act, 2003, for the Chief Finance Officer to provide a positive assurance statement about the adequacy of proposed financial reserves and the robustness of estimates made for the purposes of the budget calculation.

7.2 The HRA working balance was reviewed in detail in CAB2423(HSG) in December 2012 and minimum balances of £1,000,000 were assessed as reasonable in light of the key assumptions included in the Business Plan. This is still considered to be an appropriate level of working balances.

7.3 It is important that budget estimates included within the report are reasonable and robust. As the majority of budgets are based on existing service levels, recent outturn data adjusted for known and/or anticipated changes (such as increasing utility bills for example) is considered reasonable. Proposed additional investment on repairs is supported by detailed external and independently validated stock survey plans. Longer term investment plans for new build are aspirational and subject to further work.

7.4 Within the context of the overall budget and reserve levels, the Head of Finance is able to provide positive assurance on the robustness of the estimates made for the purposes of the HRA budget calculation for next year. Clearly, less assurance can be provided on longer term spending plans, although again investment in major repairs is supported by stock survey data. The Business Plan recognises the need to update and improve this data and the Plan will be updated and revised in light of this.

## 8 HRA Budget 2013/14

8.1 The budget detailed in Appendix 1 takes full account of the rent increase and additional investment approved by Council on 9 January 2013.

8.2 The budget has a net deficit of £766,000, although it should be noted that this is only after the £3,500,000 repayment of debt as detailed in paragraph 3.2 above.

8.3 The key changes to the budget set out in Appendix 1 include:

- a) Estate Management – The £76,000 increase relates mainly to additional staffing costs required to mitigate the impact of welfare reform.
- b) HRA General – The £34,000 increase relates to a number of changes to staffing and recharges and also the provision of £35,000 to fund upgrades to the payment modules of the Orchard Housing



Management System to provide increased options for tenants to pay their rent and manage their rent accounts.

- c) Removals Incentive Scheme – The increase of £100,000 relates to the additional provision to incentivise “downsizing”. A detailed report on this will be brought to the March Cabinet (Housing) Committee meeting.
- d) Tenant Information – The £29,000 net increase includes provision to fund additional tenant training programmes and a range of initiatives to address deprivation and worklessness.
- e) New Build Programme – The increase of £121,000 relates to increased recharges from other Council teams in respect of work on the New Build programme.
- f) Disabled Adaptations – The changes to this budget reflect service changes approved at the December meeting (CAB2417(HSG) refers) to fund a proportion of adaptations from revenue.
- g) Estate Maintenance – The net increase of £180,000 reflect provision to invest in neighbourhoods and estates to achieve specific and targeted improvements for Council tenants. This includes the growth approved for the Estate Improvement programme, improving community facilities, addressing tenancy breaches in relation to animal welfare and improving neighbourhood management generally.
- h) Homelessness – The £31,000 relates to additional staffing now charged to this service. The costs are fully funded by increased income as a result in the growth in numbers in temporary accommodation.
- i) Repairs Administration – The £283,000 decrease in this budget relates to additional provision in 2012/13 to fund the Stock Condition Survey.
- j) Rents and Other Income – The £846,000 increase in income reflects the rent increase approved by Council on 9 January and increase in garage rents and other income.
- k) Capital Expenditure funded by HRA – The increase of £4,751,000 reflects the significant increase in New Build investment in 2013/14 and also provision for increased Decent Homes investment as set out in paragraph 8 below.

- 8.4 These changes result in a year end working balance at March 2014 of £1,136,000.

#### OTHER CONSIDERATIONS:

#### 9 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 9.1 The proposals accord with the principles of making the best use of all available resources by continued clear financial planning. The additional resources that could be available will also make a significant contribution to meeting the targets and priorities identified in the Council's Active Communities Change Plan.

#### 10 RESOURCE IMPLICATIONS:

- 10.1 As discussed in the main body of the report.

#### 11 RISK MANAGEMENT ISSUES

- 11.1 The potential risks associated with the Business Plan and the Self Financing regime cannot be under estimated. Whilst the previous subsidy system had many failings, it did protect councils from economic and business risk. However, this protection will no longer be available and council business plans will need to be subject to detailed sensitivity analysis to ensure plans are robust in the long term.
- 11.2 The report to this Committee on 10 December 2012 identified the key financial risks. These were not following national rent restructuring policy, Welfare Reform and inflation on expenditure being higher than expected. These have been reviewed and it is considered that the quantification of the risks set out in that paper are still appropriate. There is therefore no need at this time to conduct any further sensitivities.

#### 12 TACT COMMENT

- 12.1 TACT has been fully consulted on the Business Plan priorities and the rent and budget at its meeting in December. We have worked very closely with the Head of Housing Services to ensure the additional money now available is used to improve services to tenants and to help future tenants by providing more Council housing.
- 12.2 TACT fully supports the additional spending on maintenance and on building new family homes.
- 12.3 TACT will continue to scrutinise Housing Services to ensure tenants get value for money and retain the right to hold the Council to account if services deteriorate or if costs increase to unacceptable levels.

Appendices

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## HRA Service Summary 2013/14

	2012/13 Original Budget	2012/13 Revised Budget	2012/13 Adjustments	2012/13 Working Budget	2013/14 Adjustments	2013/14 Budget	Notes
	£	£	£	£	£	£	
<b>Housing Management General</b>							
Estate Management	717,271	763,470	0	763,470	76,430	839,900	See 8.3 a)
HRA General	1,484,609	1,538,919	0	1,538,919	33,853	1,572,772	See 8.3 b)
Joint Housing Register	64,000	64,000	0	64,000	640	64,640	
Removal Incentive Scheme	6,000	6,000	0	6,000	100,000	106,000	See 8.3 c)
Rent Accounting	255,175	255,717	0	255,717	4,704	260,421	
Tenants Information	91,034	91,235	0	91,235	29,252	120,487	See 8.3 d)
Vacant Dwellings	33,292	33,292	0	33,292	13	33,305	
New Build Programme Support	360,000	335,597	0	335,597	121,442	457,039	See 8.3 e)
	<b>3,011,381</b>	<b>3,088,230</b>	<b>0</b>	<b>3,088,230</b>	<b>366,334</b>	<b>3,454,564</b>	
<b>Housing Management Special</b>							
Central Control	106,644	107,976	0	107,976	(19,449)	88,527	
Communal Services	(33,996)	(26,416)	0	(26,416)	(3,540)	(29,956)	
Disabled Adaptations	39,502	39,502	90,000	129,502	10,400	139,902	See 8.3 f)
Estate Maintenance	298,506	358,286	0	358,286	179,985	538,271	See 8.3 g)
Extra Care	0	1,827	0	1,827	(1,827)	0	
Homelessness	(22,168)	(84,818)	0	(84,818)	30,592	(54,226)	See 8.3 h)
Sewage Works	154,622	178,622	0	178,622	(4,611)	174,011	
Sheltered Housing	1,142,925	1,257,142	(34,676)	1,222,466	13,267	1,235,733	
	<b>1,686,035</b>	<b>1,832,121</b>	<b>55,324</b>	<b>1,887,445</b>	<b>204,817</b>	<b>2,092,262</b>	
<b>Repairs</b>							
Repairs Administration	1,168,666	1,541,788	(62,615)	1,479,173	(283,464)	1,195,709	See 8.3 i)
Repairs Works	3,860,000	3,860,000	(90,000)	3,770,000	10,000	3,780,000	
	<b>5,028,666</b>	<b>5,401,788</b>	<b>(152,615)</b>	<b>5,249,173</b>	<b>(273,464)</b>	<b>4,975,709</b>	
Debt Management Expenses	43,029	43,029	0	43,029	(43,029)	0	
Interest Payable	6,064,333	5,319,926	(12,172)	5,307,754	(53,754)	5,254,000	
Depreciation of Fixed Assets	3,881,201	5,599,548	(302,316)	5,297,232	98,898	5,396,130	
	<b>9,988,563</b>	<b>10,962,503</b>	<b>(314,488)</b>	<b>10,648,015</b>	<b>2,115</b>	<b>10,650,130</b>	
<b>Rents and Other Income</b>							See 8.3 j)
Dwelling Rents	(23,530,000)	(23,630,000)	0	(23,630,000)	(805,000)	(24,435,000)	
Garage Rents	(830,000)	(813,000)	0	(813,000)	(27,000)	(840,000)	
Other Income	(239,000)	(239,000)	0	(239,000)	(30,000)	(269,000)	
Sheltered Charges	(534,305)	(512,305)	0	(512,305)	0	(512,305)	
Supporting People	(608,620)	(608,620)	0	(608,620)	0	(608,620)	
Interest Receivable	(29,416)	(38,416)	18,000	(20,416)	16,416	(4,000)	
	<b>(25,771,341)</b>	<b>(25,841,341)</b>	<b>18,000</b>	<b>(25,823,341)</b>	<b>(845,584)</b>	<b>(26,668,925)</b>	
<b>Surplus for year on HRA Services</b>	<b>(6,056,696)</b>	<b>(4,556,699)</b>	<b>(393,779)</b>	<b>(4,950,478)</b>	<b>(545,782)</b>	<b>(5,496,260)</b>	
Capital Expenditure funded by HRA	5,825,799	1,515,452	(54,452)	1,461,000	4,751,000	6,212,000	See 8.3 k)
Right to Buy Admin Fees	(12,740)	(12,740)	(9,360)	(22,100)	6,500	(15,600)	
<b>Net (increase)/decrease in HRA Balance before transfers to or from reserves</b>	<b>(243,637)</b>	<b>(3,053,987)</b>	<b>(457,591)</b>	<b>(3,511,578)</b>	<b>4,211,718</b>	<b>700,140</b>	
Transfer to/(from) New Build Reserve	0	2,500,000	(2,500,000)	0	0	0	
Transfer to/(from) Insurance Reserve	66,300	66,300	0	66,300	0	66,300	
Transfer to Capital Adjustment A/C to reflect Debt Repayment	0	0	3,500,000	3,500,000	(3,500,000)	0	
<b>(Increase)/ decrease in HRA Balance</b>	<b>(177,337)</b>	<b>(487,687)</b>	<b>542,409</b>	<b>54,722</b>	<b>711,718</b>	<b>766,440</b>	
<b>HRA Working Balance</b>							
Opening Balance	(1,468,295)	(1,957,358)		(1,957,358)		(1,902,636)	
Add Projected Deficit/(Surplus)	(177,337)	(487,687)		54,722		766,440	
<b>Projected Balance at Year End</b>	<b>(1,645,632)</b>	<b>(2,445,045)</b>		<b>(1,902,636)</b>		<b>(1,136,196)</b>	

## HRA Subjective Summary 2013/14

	2012/13 Original Budget	2012/13 Revised Budget	2012/13 Adjustments	2012/13 Working Budget	2013/14 Adjustments	2013/14 Budget	Notes
	£	£	£	£	£	£	
Employees	3,070,405	3,236,012	(113,349)	3,122,663	84,483	3,207,146	8.3 a) - Welfare Reform
Premises	5,108,492	5,209,852	0	5,209,852	38,220	5,248,072	
Transport	266,888	270,194	0	270,194	0	270,194	
Supplies & services	456,900	972,900	0	972,900	(213,500)	759,400	8.3 i) - Stock Survey funding
Third party payments	61,000	61,000	0	61,000	200,000	261,000	8.3 c + g)
Support Services	1,749,966	1,686,350	16,058	1,702,408	107,355	1,809,763	See 8.3 d) - New Build Support
Net Interest	6,034,917	5,281,510	5,828	5,287,338	(37,338)	5,250,000	
Depreciation on Fixed Assets	3,905,291	5,623,638	(302,316)	5,321,322	98,898	5,420,220	
External income	(26,710,555)	(26,898,155)	0	(26,898,155)	(823,900)	(27,722,055)	
<b>Surplus for year on HRA Services</b>	<b>(6,056,696)</b>	<b>(4,556,699)</b>	<b>(393,779)</b>	<b>(4,950,478)</b>	<b>(545,782)</b>	<b>(5,496,260)</b>	
Capital Expenditure funded by HRA	5,825,799	1,515,452	(54,452)	1,461,000	4,751,000	6,212,000	8.3 k - Increased capital spend
Right to Buy Admin Fees	(12,740)	(12,740)	(9,360)	(22,100)	6,500	(15,600)	
<b>Net (increase)/decrease in HRA Balance before transfers to or from reserves</b>	<b>(243,637)</b>	<b>(3,053,987)</b>	<b>(457,591)</b>	<b>(3,511,578)</b>	<b>4,211,718</b>	<b>700,140</b>	
Transfer to/(from) New Build Reserve	0	2,500,000	(2,500,000)	0	0	0	
Transfer to/(from) Insurance Reserve	66,300	66,300	0	66,300	0	66,300	
Transfer to Capital Adjustment A/C to reflect Debt Repayment	0	0	3,500,000	3,500,000	(3,500,000)	0	
<b>(Increase)/ decrease in HRA Balance</b>	<b>(177,337)</b>	<b>(487,687)</b>	<b>542,409</b>	<b>54,722</b>	<b>711,718</b>	<b>766,440</b>	
<b>HRA Working Balance</b>							
Opening Balance	(1,468,295)	(1,957,358)		(1,957,358)		(1,902,636)	
Add Projected Deficit/(Surplus)	(177,337)	(487,687)		54,722		766,440	
<b>Projected Balance at Year End</b>	<b>(1,645,632)</b>	<b>(2,445,045)</b>		<b>(1,902,636)</b>		<b>(1,136,196)</b>	

## Winchester City Council - HRA Business Plan revenue account

		Income			Expenditure					Balances	
Year	Year	Net rent Income £,000	Other income £,000	Total income £,000	Managem ent £,000	Repairs and Mtnc £,000	Capital Financing £,000	Funding of capital exp £,000	Total Exp £,000	Annual surplus / (deficit) £,000	Working Balance £,000
1	2013.14	24,565	2,234	26,799	-6,923	-3,780	-5,254	-11,609	-27,566	-767	1,136
2	2014.15	25,535	2,273	27,808	-7,027	-3,844	-5,341	-11,692	-27,904	-96	1,040
3	2015.16	26,734	2,315	29,049	-7,241	-3,944	-5,457	-12,385	-29,027	22	1,062
4	2016.17	27,800	2,360	30,160	-7,437	-4,047	-5,573	-13,053	-30,110	50	1,112
5	2017.18	28,875	2,404	31,279	-7,639	-4,173	-5,578	-13,705	-31,095	184	1,296
6	2018.19	29,962	2,451	32,413	-7,849	-4,303	-5,578	-14,093	-31,823	590	1,886
7	2019.20	31,068	2,501	33,569	-8,065	-4,437	-5,578	-14,498	-32,578	991	2,877
8	2020.21	32,199	2,554	34,753	-8,275	-4,575	-5,578	-14,922	-33,350	1,403	4,280
9	2021.22	33,361	2,610	35,971	-8,489	-4,717	-5,578	-15,356	-34,140	1,831	6,111
10	2022.23	34,557	2,658	37,215	-8,710	-4,863	-10,577	-15,390	-39,540	-2,325	3,786
11	2023.24	35,783	2,699	38,482	-8,936	-5,013	-10,449	-15,517	-39,915	-1,433	2,353
12	2024.25	37,050	2,750	39,800	-9,169	-5,169	-8,665	-15,974	-38,977	823	3,176
13	2025.26	38,359	2,804	41,163	-9,408	-5,328	-10,275	-16,441	-41,452	-289	2,887
14	2026.27	39,711	2,859	42,570	-9,653	-5,493	-10,180	-16,919	-42,245	325	3,212
15	2027.28	41,106	2,911	44,017	-9,906	-5,662	-12,707	-17,408	-45,683	-1,666	1,546
16	2028.29	42,547	2,974	45,521	-10,164	-5,837	-9,051	-16,557	-41,609	3,912	5,458
17	2029.30	44,034	3,052	47,086	-10,430	-6,016	-9,676	-17,045	-43,167	3,919	9,377
18	2030.31	45,569	3,122	48,691	-10,704	-6,202	-14,416	-17,545	-48,867	-176	9,201
19	2031.32	47,153	3,173	50,326	-10,984	-6,392	-19,089	-18,072	-54,537	-4,211	4,990
20	2032.33	48,783	3,255	52,038	-11,273	-6,588	-3,598	-18,611	-40,070	11,968	16,958
21	2033.34	50,465	3,380	53,845	-11,569	-6,791	-3,598	-19,839	-41,797	12,048	29,006
22	2034.35	52,201	3,471	55,672	-11,874	-6,999	-18,593	-20,424	-57,890	-2,218	26,788
23	2035.36	53,993	3,568	57,561	-12,187	-7,213	-3,088	-21,034	-43,522	14,039	40,827
24	2036.37	55,842	3,685	59,527	-12,508	-7,434	-13,088	-21,660	-54,690	4,837	45,664
25	2037.38	57,749	3,809	61,558	-12,839	-7,661	-2,744	-22,300	-45,544	16,014	61,678
26	2038.39	59,717	3,964	63,681	-13,178	-7,895	-2,744	-22,972	-46,789	16,892	78,570
27	2039.40	61,748	4,126	65,874	-13,527	-8,136	-2,744	-23,659	-48,066	17,808	96,378
28	2040.41	63,843	4,294	68,137	-13,886	-8,384	-2,744	-24,362	-49,376	18,761	115,139
29	2041.42	66,004	4,444	70,448	-14,255	-8,639	-12,744	-25,091	-60,729	9,719	124,858
30	2042.43	68,234	4,602	72,836	-14,634	-8,902	-2,394	-25,850	-51,780	21,056	145,914

Winchester City Council - HRA Business Plan capital account												
		Expenditure							Funding			
Year	Year	Contingency for stock survey	Future Major Repairs	Improvements and loft conversions	Disabled Adaptations	New Build Development Costs	Other	Total Expenditure	Borrowing	Capital grants and reserves	From Revenue	Total Funding
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	0	£,000	£,000	£,000
1	2013.14	0	6,530	650	700	4,294	100	12,274	0	665	11,609	12,274
2	2014.15	0	6,613	660	711	5,500	103	13,587	1,800	95	11,692	13,587
3	2015.16	0	6,765	676	728	4,847	105	13,121	650	86	12,385	13,121
4	2016.17	0	6,920	693	746	4,920	108	13,387	250	84	13,053	13,387
5	2017.18	1,165	5,990	714	769	5,040	110	13,788	0	83	13,705	13,788
6	2018.19	1,198	6,178	735	792	5,160	113	14,176	0	83	14,093	14,176
7	2019.20	1,231	6,378	757	816	5,280	116	14,578	0	80	14,498	14,578
8	2020.21	1,266	6,581	780	840	5,415	119	15,001	0	79	14,922	15,001
9	2021.22	1,301	6,791	804	865	5,550	122	15,433	0	77	15,356	15,433
10	2022.23	2,674	5,262	828	891	5,685	125	15,465	0	75	15,390	15,465
11	2023.24	2,749	5,107	852	918	5,835	128	15,589	0	72	15,517	15,589
12	2024.25	2,826	5,279	878	946	5,985	131	16,045	0	71	15,974	16,045
13	2025.26	2,905	5,457	904	974	6,135	134	16,509	0	68	16,441	16,509
14	2026.27	2,986	5,642	932	1,003	6,285	138	16,986	0	67	16,919	16,986
15	2027.28	3,069	5,833	959	1,033	6,435	141	17,470	0	62	17,408	17,470
16	2028.29	3,154	4,664	988	1,064	6,600	145	16,615	0	58	16,557	16,615
17	2029.30	3,242	4,832	1,018	1,096	6,765	148	17,101	0	56	17,045	17,101
18	2030.31	3,333	5,006	1,048	1,129	6,930	152	17,598	0	53	17,545	17,598
19	2031.32	3,425	5,187	1,080	1,163	7,110	156	18,121	0	49	18,072	18,121
20	2032.33	3,521	5,374	1,112	1,198	7,290	160	18,655	0	44	18,611	18,655
21	2033.34	3,619	6,247	1,146	1,234	7,470	164	19,880	0	41	19,839	19,880
22	2034.35	3,720	6,469	1,180	1,271	7,650	168	20,458	0	34	20,424	20,458
23	2035.36	3,823	6,699	1,215	1,309	7,845	172	21,063	0	29	21,034	21,063
24	2036.37	3,930	6,938	1,252	1,348	8,040	176	21,684	0	24	21,660	21,684
25	2037.38	4,039	7,186	1,289	1,389	8,235	181	22,319	0	19	22,300	22,319
26	2038.39	4,152	7,444	1,328	1,430	8,445	185	22,984	0	12	22,972	22,984
27	2039.40	4,267	7,711	1,368	1,473	8,655	191	23,665	0	6	23,659	23,665
28	2040.41	4,386	7,989	1,409	1,517	8,865	196	24,362	0	0	24,362	24,362
29	2041.42	4,508	8,278	1,451	1,563	9,090	201	25,091	0	0	25,091	25,091
30	2042.43	4,633	8,578	1,495	1,610	9,330	204	25,850	0	0	25,850	25,850

**Housing Capital Programme – 2013/14**

<b>Scheme description</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Future Major Repairs</b>						
Responsive Mtnace - Non-Term contract	130	130	132	135	138	665
Discretionary Works Scheme	200	200	203	207	212	1,022
External envelope works	900	1,000	1,013	1,036	1,060	5,009
Window/door/screen replacements	500	700	709	725	742	3,376
Misc external works	250	250	253	259	265	1,277
Lift refurbishment	30	0	0	0	0	30
Kitchen/bathroom renewals	1,600	1,900	1,923	1,969	2,012	9,404
Heating systems replacement	1,590	1,260	1,276	1,305	1,335	6,766
Fire risk assessments	80	80	81	83	85	409
Miscellaneous internal works	180	180	182	186	191	919
Garages/other non-dwelling assets	120	200	203	207	212	942
Non-traditional dwellings	0	30	30	31	32	123
Underground services	90	100	101	104	106	501
Rural renewables	0	200	203	207	212	822
Mechanical extract ventilation	300	300	304	311	318	1,533
	<b>5,970</b>	<b>6,530</b>	<b>6,613</b>	<b>6,765</b>	<b>6,920</b>	<b>32,798</b>
<b>Improvements and loft conversions</b>						
Environmental Improvements	550	250	254	260	267	1,581
Sheltered Housing Upgrades	260	200	203	208	213	1,084
Loft conversions	0	200	203	208	213	824
	<b>810</b>	<b>650</b>	<b>660</b>	<b>676</b>	<b>693</b>	<b>3,489</b>
<b>Disabled Adaptation works</b>						
	<b>610</b>	<b>700</b>	<b>711</b>	<b>728</b>	<b>746</b>	<b>3,495</b>
<b>Other capital spending</b>						
Sewage Treatment Works	60	100	103	105	108	476
Asset Management Solution	51	0	0	0	0	51
Orchard enhancements	40	0	0	0	0	40
	<b>151</b>	<b>100</b>	<b>103</b>	<b>105</b>	<b>108</b>	<b>567</b>
<b>Sub-total Housing Services Spend</b>	<b>7,541</b>	<b>7,980</b>	<b>8,087</b>	<b>8,274</b>	<b>8,467</b>	<b>40,349</b>
<b>New Housebuilding Programme</b>						
Cromwell Road conversion	77	0	0	0	0	77
Compton Stores	105	0	0	0	0	105
Dever Close, Mitcheldever	185	555	0	0	0	740
St Catherines Road, Highcliffe	189	0	0	0	0	189
Springvale, Swanmore	0	90	210	0	0	300
Bourne Close, Otterbourne	52	430	0	0	0	482
Hillier Way, Abbots Barton	0	462	462	0	0	924
Pumping Station, Itchen Abbas	49	962	0	0	0	1,011
Fivefields Road, Highcliffe	0	43	573	0	0	616
Dongiers Close, Swanmore	0	43	573	0	0	616
Milland Road, Highcliffe	0	1,155	1,155	0	0	2,310
Fox Lane, Stanmore	0	92	216	0	0	308
Westman Road, Weeke	0	462	462	0	0	924
Coles Mead, Otterbourne	0	0	158	158	0	316
Garages, Shedfiled	0	0	474	474	0	948
The Park, Droxford	0	0	284	664	0	948
Hobbs Close, Bishops Sutton	0	0	474	474	0	948
Greens Close, Headbourne Worthy	0	0	316	316	0	632
Stewarts Green Hambleton	0	0	142	332	0	474
New schemes - not yet identified	0	0	0	2,430	4,920	7,350
<b>Sub-total New Build Programme</b>	<b>657</b>	<b>4,294</b>	<b>5,500</b>	<b>4,847</b>	<b>4,920</b>	<b>20,218</b>
<b>Total HRA Capital Programme</b>	<b>8,198</b>	<b>12,274</b>	<b>13,587</b>	<b>13,121</b>	<b>13,387</b>	<b>60,567</b>



## Repairs and Renewals Programme – 2013/14

	Base Budget 2012/13 (as per CAB (HSG)2287)			Changes		Proposed Budget 2013/14		
	Revenue	Capital	Total	Revenue	Capital	Revenue	Capital	Total
<b>Responsive Maintenance</b>								
1 Voids (Osborne)	320,000	-	320,000	-	-	320,000	-	320,000
2 Gas attend tos (Liberty)	300,000	-	300,000	(30,000)	-	270,000	-	270,000
3 Main Term Contract (Osborne)	1,250,000	-	1,250,000	-	-	1,250,000	-	1,250,000
4 Non-Term contract(other contractors)	150,000	130,000	280,000	-	-	150,000	130,000	280,000
<b>Responsive</b>	<b>2,020,000</b>	<b>130,000</b>	<b>2,150,000</b>	<b>(30,000)</b>	<b>-</b>	<b>1,990,000</b>	<b>130,000</b>	<b>2,120,000</b>
<b>Voids Maintenance</b>								
5 Change of Tenancy Costs	600,000	-	600,000	-	-	600,000	-	600,000
6 Decorating Vouchers	40,000	-	40,000	-	-	40,000	-	40,000
<b>Voids</b>	<b>640,000</b>	<b>-</b>	<b>640,000</b>	<b>-</b>	<b>-</b>	<b>640,000</b>	<b>-</b>	<b>640,000</b>
<b>Cyclic Maintenance</b>								
7 External Repairs & Painting	320,000	-	320,000	50,000	-	370,000	-	370,000
8 Heating Appliance Service Contract	390,000	-	390,000	(40,000)	-	350,000	-	350,000
9 E. & M. Service Contracts	130,000	-	130,000	-	-	130,000	-	130,000
10 Electrical Testing & follow-up	160,000	-	160,000	(60,000)	-	100,000	-	100,000
11 Discretionary Works Scheme	200,000	200,000	400,000	-	-	200,000	200,000	400,000
<b>Cyclic</b>	<b>1,200,000</b>	<b>200,000</b>	<b>1,400,000</b>	<b>(50,000)</b>	<b>-</b>	<b>1,150,000</b>	<b>200,000</b>	<b>1,350,000</b>
<b>Planned Improvements</b>								
12 External envelope works	-	1,200,000	1,200,000	-	200,000	-	1,000,000	1,000,000
13 Window/door/screen replacements	-	500,000	500,000	-	200,000	-	700,000	700,000
14 Misc external works	-	250,000	250,000	-	-	-	250,000	250,000
15 Lift refurbishment (Richard Moss)	-	60,000	60,000	-	60,000	-	-	-
16 Kitchen/bathroom renewals	-	1,900,000	1,900,000	-	-	-	1,900,000	1,900,000
17 Heating systems replacement	-	1,400,000	1,400,000	-	140,000	-	1,260,000	1,260,000
18 Fire risk assessments	-	80,000	80,000	-	-	-	80,000	80,000
19 Miscellaneous internal works	-	130,000	130,000	-	50,000	-	180,000	180,000
20 Garages/other non-dwelling assets	-	120,000	120,000	-	80,000	-	200,000	200,000
21 Non-traditional dwellings	-	30,000	30,000	-	-	-	30,000	30,000
22 Underground services	-	50,000	50,000	-	50,000	-	100,000	100,000
23 Mechanical extract ventilation	-	-	-	-	300,000	-	300,000	300,000
24 Rural renewables	-	-	-	-	200,000	-	200,000	200,000
<b>Planned</b>	<b>-</b>	<b>5,720,000</b>	<b>5,720,000</b>	<b>-</b>	<b>480,000</b>	<b>-</b>	<b>6,200,000</b>	<b>6,200,000</b>
<b>Sub-total maintenance and planned improvements</b>	<b>3,860,000</b>	<b>6,050,000</b>	<b>9,910,000</b>	<b>- 80,000</b>	<b>480,000</b>	<b>3,780,000</b>	<b>6,530,000</b>	<b>10,310,000</b>
<b>Other Improvements</b>								
25 Environmental Improvements	-	250,000	250,000	100,000	-	100,000	250,000	350,000
26 Sheltered Housing Upgrades	-	200,000	200,000	-	-	-	200,000	200,000
27 Loft Conversions/Stock Adaptation	-	-	-	-	200,000	-	200,000	200,000
<b>Sub-total other improvements</b>	<b>-</b>	<b>450,000</b>	<b>450,000</b>	<b>100,000</b>	<b>200,000</b>	<b>100,000</b>	<b>650,000</b>	<b>750,000</b>
<b>Other Works</b>								
28 Disabled Adaptation works	-	800,000	800,000	100,000	100,000	100,000	700,000	800,000
29 Sewage Treatment Works	-	100,000	100,000	-	-	-	100,000	100,000
<b>Sub-total other works</b>	<b>-</b>	<b>900,000</b>	<b>900,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>800,000</b>	<b>900,000</b>
<b>Total Maintenance &amp; Improvements Budget</b>	<b>3,860,000</b>	<b>7,400,000</b>	<b>11,260,000</b>	<b>120,000</b>	<b>580,000</b>	<b>3,980,000</b>	<b>7,980,000</b>	<b>11,960,000</b>

#### 4 Key Housing Revenue Account Priorities

##### Significant Areas of Work and Projects for 2013/14 – General Tenancy Issues

Lead Officer: Tenancy Services Manager

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Mitigate impact of welfare reform on Council tenants	<p>Joint Housing/Benefits programme including:</p> <ul style="list-style-type: none"> <li>• Commission an advice and support service aimed at all those affected by “bedroom tax” and benefit caps</li> <li>• Implement a range of measures to prepare for “Direct Payment” of Universal Credit and its potential impact on rent arrears</li> </ul>	From April 2013 on-going through to March 2018	£100k recommended to be set aside in 2013 HRA to fund impact on staffing and cost of independent commission	<p>Tenants have access to good quality advice and support</p> <p>Rent arrears maintained at less than 2.5% of rent roll by March 2014.</p>
Addressing Under Occupation	Improved package of measures to encourage and support tenants to downsize to homes that meet their housing need.	From April 2013	An additional £100k included in 2013/14 HRA Budget	At least 50 family homes made available as tenants move to more appropriate accommodation.

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Addressing Under Occupation (cont.)	Measures aimed specifically at working age tenants affected by Welfare Reform changes as well as older tenants under occupying family homes	From April 2013	As above	As above
Update Tenancy Policies	Options Report to Cabinet Housing Ctte to consider potential for Flexible tenancies  Stakeholder consultation if flexible tenancies considered a realistic option	Sept 13  Dec 13	No additional budget provision included	Clear Tenancy Policy that takes full account of Localism Act options
Ensuring Value for Money	Submit all relevant financial and performance returns to Housemark as part of their annual benchmarking analysis  Prepare and distribute Annual Report to all tenants  Review all relevant unit cost and performance data and agree actions to address variances	Jul 13  Oct 13  Dec 13	No specific budget provision but can be funded within existing resources	Tenants informed of key performance and have opportunity to challenge/scrutinise services  Operating costs compare well with other providers (aim to be below average)
Promoting Resident Involvement	Post implementation review of Tenant Scrutiny Panels	Jul 13	Can be funded within existing Tenant Information budget	Tenants can scrutinise Council services effectively

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Promoting Resident Involvement (cont)	<p>Adapt Tenant Scrutiny process in light of the above review</p> <p>Implement revised Constitution for TACT</p> <p>Develop a new Tenant Involvement Compact aimed at increasing the effectiveness of TACT and other groups and extending involvement opportunities for tenants</p>	<p>Dec 13</p> <p>May 13</p> <p>Mar 14</p>	As above	<p>Housing services continue to take full account of tenant views and aspirations</p>
Addressing Deprivation and Promoting Health and Well being	<p>Tenant training programme and Tenancy Support service to be extended to address specific areas of Deprivation on housing estates</p> <p>Council's Healthy Lifestyles Officer and Health and Wellbeing team to focus on services and partnerships to address specific areas of Deprivation on housing estates</p>	<p>Jul 13</p> <p>On-going from April 2013</p>	£50k additional provision included in 2013/14 HRA.	<p>Positive engagement from tenants in targeted areas</p> <p>Deprivation indices improved in medium term</p>

**Significant Areas of Work and Projects for 2013/14 – Repairs and Renewals**Lead Officer: **Property Services Manager**

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Deliver an enhanced maintenance programme for Council housing stock	10 year programme to ensure all kitchens are less than 20 yrs and bathrooms less than 30 yrs by 2023	10 year programme commenced April 2012	£1.9m per annum included in annual repairs programme	All kitchens less than 20 years old and all bathrooms less than 30 years old by 2023
	10 year programme to ensure all heating systems are less than 15 years old by 2023	10 year programme commenced April 2012	£1.26m per annum included in annual repairs programme	All heating systems less than 15 years old by 2023
Making Best Use of Existing Housing Stock	Approving a Long Term Asset Management Strategy which takes full account of Stock Survey results	Jan 14	Stock survey already funded – interpreting results contained within existing HRA	100% Decent Homes confirmed and clear investment plans set out for whole life of business plan
	Investing £200k per annum in loft conversions to address tenant overcrowding	Annual programme commences April 2013	£200k included in annual repairs programme	8 families have living conditions improved and are no longer statutorily “overcrowded”
Improving the energy efficiency of the Housing stock	Replacement heating at Winnall flats	Dec 13	To be funded from the £1.26m provision for heating systems detailed above	Tenants enjoy improved heating and living conditions and reduced energy bills

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Improving the energy efficiency of the Housing stock (cont.)	Exploiting Government funding for Renewable heating initiatives and other schemes promoting energy efficiency	Mar 14	£200k included in Capital programme (est. 50% of scheme costs)	Heating systems and energy bills improved for tenants in rural areas.

**Significant Areas of Work and Projects for 2013/14 – Estate Services**

Lead Officer: Estate Services Manager

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Improving standards of Grounds Maintenance and Communal Cleaning	Implement an improved monitoring regime combining Housing and Joint Client team resources	Apr 13	Within existing resources	Contract quality standards achieved
	Increase frequency of maintenance visits to communal housing land	Jul 13	To be funded from savings achieved through the current contract	Tenants satisfaction with Estates and neighbourhood above 80%
	Implement revised customer services arrangements for Communal Cleaning contract	Oct 13	Within existing resources	Tenant satisfaction with cleaning service improved
Improving the Quality of Housing Estates and Neighbourhoods	Estate Improvement Programme		£250k included in HRA capital programme and £100k in HRA revenue budgets	Tenants satisfaction with Estates and neighbourhood above 80%

**Significant Areas of Work and Projects for 2013/14 – Older Persons Housing**  
**Lead Officer: Housing Options and Support Manager**

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Review of Sheltered Housing management	Review Supporting People Floating Support contracts and options for future funding of Sheltered Housing	Jul 13		Residents consider service offers value for money
Developing Extra Care Provision	Continue transition of Danmark Ct from Category 2 to full 2.5 Extra Care scheme	Mar 14	To be funded from existing capital programme	Scheme fully converted to Extra Care and care package for all residents agreed
	Work with HCC to procure specialist dementia care service at Matilda Place	Jul 13	HCC funded	Appropriate care in place for all residents
	Commission and develop an additional extra care provision in Central Winchester (subject to feasibility)	Mar 16	To be determined	Increasing demand for Extra Care met and 50 new homes built
Improving Communal Facilities in Sheltered Housing	Programme of adaptation and decoration to be drawn up for all Sheltered Housing schemes	Mar 14	£200k specific provision made in capital programme and £50k in HRA revenue budget	Attractive schemes with well used and modern communal facilities













**Significant Areas of Work and Projects for 2013/14 – New Build Programme**

Lead Officer: Head of New Homes Delivery

Priority	Which projects will contribute towards this?	Timescale?	Budget?	What will success look like?
Increasing Affordable Housing Numbers	Deliver the approved New Homes Programme	From Apr 2013 on-going (As set out in the programme)	£51m over the next 10 years and £200m over life of Business Plan	At least 300 new Council Homes by 2024

**Key HRA Business Plan Performance Indicators**

Ref	What does this show?	2010/11	2011/12	2012/13			2013/14	2014/15	2015/16
		Value	Value	Estimate	Target	Status	Target	Target	Target
1	% non-decent council homes	0%	0%	0%	0%		0%	0%	0%
2	Local authority tenants' satisfaction with landlord services	85.4%	85.4%	85%	85%		85%	85%	85%
3*	Current tenant rent arrears as a % of rent due	1.08%	1.10%	1.15%	1%		1.5%	1.5%	2%
4	Gas servicing - The % of homes with current gas servicing certificate	98.94%	99.99%	100%	100%		100%	100%	100%
5#	% Stock empty at the end of the year	1.09%	1.10%	1.25%	1%		1%	1%	1%
6	Rent & charges lost through vacant dwellings (%)	1.12%	0.9%	0.75%	2%		1%	1%	1%
7	Value of former tenant arrears	£179k	£180k	£180k	£160k		£150k	£150k	£150k
8	Average re-let time for all properties (in days)	25.63	25.63	20	25		20	20	20
9	Average re-let time for General Needs properties (in days)	21.75	18	20	25		20	20	20
10	Average re-let time for Older Persons properties (in days)	27.5	21	22	40		22	22	22

Notes \* Rent Arrears - Future targets for rent arrears take account of potential impact of Welfare Reform

# Empty Stock - The increase in the performance in the current year takes account of closing Victoria House

^ Repairs Indicators - A suite of repairs indicators are currently being prepared and will be added to the table once approved by Cabinet (Housing) Committee

## Key Elements of Risk Management

Risk number	Rating	Short name	Risk ownership	Cause	Consequence	Current Management Action
OP0008	12	Not achieving financial targets in business plan	Richard Botham	Economic climate, Right to Buys, increasing corporate costs etc, Changes to the Benefits system, Interest Rates	(1) Insufficient funds to meet service needs and Decent Homes Plus Standard (2) Tenant dissatisfaction (3) Members challenge (4) Challenge to delivery of service (5) transfer of service (6) huge impact on other council services	<i>Maintain reasonable reserves Maximise income Scrutinise recharge costs Make additional provision for bad debts within business plan projections Detailed and ongoing sensitivity analysis</i>
OP0009	9	Not maintaining the Decent Homes Standard	Andrew Kingston	Lack of Funding, Tenant Priorities, Lack of Clear Plans	(1) Government Intervention (2) Forced Solution (3) Bad publicity	<i>Clear strategy agreed and monitored</i>
OP0010	6	Adequacy of utilities checks	Andrew Kingston	Servicing gas fired appliances in council homes is conducted by an outside contractor. Unable to gain access to homes, Failure to comply with regulations / negligent	(1)Tenants at risk (2)Fatality (3)Council sued (4)Officers libel (5)HSE involved (6)Massive fine (7)Lack of confidence for other tenants (8) Negative publicity	<i>Comprehensive service contract Robust injunction process to ensure access gained to all properties</i>
OP0011	6	Communal housing	Richard Botham	Loss of utilities, storm/flood, building failure	Urgent evacuation/re-homing of residents. Urgent requirement for maintenance/repairs. Major unplanned impact on resources	<i>Clear Business Continuity Plan in place and kept up to date Test exercises completed.</i>

Risk number	Rating	Short name	Risk ownership	Cause	Consequence	Current Management Action
OP0012	6	Loss of a major contractor (Osborne or Liberty)	Andrew Kingston	Receivership/business failure. Very poor performance	No response to urgent responsive repairs or gas servicing. Failure to meet statutory targets	<i>Clear procurement processes Constructionline in place</i>
OP0013	6	Failure of Central Control staff	Linda Curtis	Ill Health of late night operator	(1) 2000 Vulnerable people, (2) Death of person, (3) Political implications, (4) Adverse publicity, (5) Legal Liability, (6) Business Loss, (7) Loss of Trust/Reputation	<i>Back up services agreed with other provider. Business Continuity Plan in place and tested regularly</i>
OP0014	6	Failure of Central Control technology	Linda Curtis	Technological breakdown (Computer, telephone lines, lifeline system)	(1) 2000 Vulnerable people, (2) Death of person, (3) Political implications, (4) Adverse publicity, (5) Legal Liability, (6) Business Loss, (7) Loss of Trust/Reputation	<i>Comprehensive servicing and maintenance arrangements SLA agreed and tested with Tunstall  Comprehensive Disaster Recovery system in place (Greens Close, Bishops Waltham) and tested weekly.</i>