

REPORT TITLE: HOUSING REVENUE ACCOUNT 2016/17 OUTTURN AND KEY PERFORMANCE INDICATORS

6 JULY 2017

REPORT OF PORTFOLIO HOLDER: COUNCILLOR C HERRILL, LEADER AND PORTFOLIO HOLDER FOR HOUSING SERVICES

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WARD(S): ALL

PURPOSE

This report updates Members on the financial performance of the Housing Revenue Account (HRA) for 2016/17 and the associated Housing capital programme. It requests approval for revised forecasts for 2017/18 to reflect changes to costs for this year, particularly in relation to the new build programme.

The report also publishes early results for Housing's key performance indicators either at 31 March 2017 or for the 2016/17 year.

RECOMMENDATIONS:

That Cabinet (Housing) Committee:

1. Approves the HRA Outturn figures for 2016/17 as detailed in Appendices 1 and 2.
2. Notes the carry forward items from 2016/17 and approves the 2017/18 HRA Re-forecast Budget as detailed in Appendix 3.
3. Supports the capital programme budget carry forwards identified in Paragraphs 10.11 to 10.13 of the report and detailed in Appendix 6.
4. Notes the HRA Service Performance data and the key performance indicators detailed in Paragraphs 11.1 to 11.5 and Appendices 7 to 9 inclusive.

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 Providing good quality housing and new affordable homes is a strategic priority for the Council and effective management of resources is key to being able to achieve this objective. Regularly updating our financial forecasts and HRA Business Plan ensures the continuing success of our repairs service and the ability to take new build opportunities as they arise.

2 FINANCIAL IMPLICATIONS

- 2.1 These are fully detailed in Section 10 of this report but in summary the HRA achieved a surplus of £1.88m in 2016/17 leaving a working balance at 31 March 2017 of £8.998m. Of the £506k efficiency savings, additional income and under spends against budget, it is proposed to carry forward £139,230 for specific projects to 2017/18.
- 2.2 With regard to the capital programme, there was an overall spend of £18.978m against the final forecasts of £22.340m (85% spent to budget) presented with the 2017/18 budget. This compares with an original budget of £31.321m (61% spent). The variance of £3.362m (under) is either being held back for future projects or used in 2017/18 to help fund current projects where costs in 2016/17 were lower than expected.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Council is required to maintain a separate Housing Revenue Account with a positive working balance and with a housing revenue borrowing cap (the debt cap). Effective management of the HRA is necessary to ensure that both of these statutory requirements are met.
- 3.2 HRA projects with costs in excess of £100,000 will be subject to a financial appraisal in line with Financial Procedure Rules. Similarly, new build projects that are to progress to planning permission and to tender will be reported to the Committee for approval.

4 WORKFORCE IMPLICATIONS

- 4.1 No workforce implications within Housing arise as a result of this report.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 In order to meet one of the key principles of the Council strategy, the HRA is required to provide sufficient financial resources to both maintain the Council's existing housing stock to decent homes standard and to enable new affordable housing to be built to help meet local demands.

## 6 CONSULTATION AND COMMUNICATION

- 6.1 This report will have been presented to TACT before it is considered by Cabinet (Housing). Members of TACT will be present at the Cabinet (Housing) meeting to give feedback to this Committee.
- 6.2 The Report was considered at The Overview and Scrutiny Committee on 19 June 2017.

## 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The Housing Service considers environmental and ecological factors when preparing and developing major projects. For example, the New Homes Team works closely with Planning Officers when considering new build developments to meet the required codes for sustainable housing. The Council's estate improvements programme also develops projects alongside landscaping staff to achieve positive results for both the local community and the environment.

## 8 EQUALITY IMPACT ASSESSMENT

- 8.1 There are no equality issues arising from this report.

## 9 RISK MANAGEMENT

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
<i>Property That Council owned dwellings fail to meet decent home standards</i>	An effective programme of capital works and sound future planning ensure decent home standards are met and then maintained.	
<i>Community Support Lack of consultation affects tenant satisfaction and causes objections to planning applications for new developments.</i>	Regular communication and consultation is maintained with tenants and leaseholders on a variety of housing issues. The Council consults with local residents and stakeholders on proposed new build schemes.	Positive consultation can bring forward alternative options that would otherwise not have been considered.
<i>Timescales Delays to new build contracts may result in</i>	New build contracts contain clauses to allow	

<i>increased costs and lost revenue.</i>	the Council to recover damages if the project is delayed due to contractor actions.	
<p><i>Project capacity</i>  <i>The HRA debt cap and rules around the use of Right to Buy receipts may limit the ability of the Council to implement proposed new build and major works programmes.</i></p> <p><i>Staffing resources (sometimes outside of Housing) reduce the time available to push forward new build schemes at the required pace.</i></p>	<p>Regular monitoring of budgets and business plans, together with the use of financial assessment tools enables the Council to manage resources effectively.</p> <p>Staffing levels in the New Homes Team have been reviewed to enable an enhanced new build programme to be delivered.</p>	
<p><i>Financial / VfM</i>  <i>The results of the General Election may affect the short and medium term funding available to Housing – either positively or negatively.</i>  <i>The current rent reduction rules are directly impacting on the maintenance of services.</i>  <i>Continuing restrictions on the way in which available funds are used and time limits applied may affect project timing.</i></p>	<p>The Council is continuing to hold reserves that are available for a wide range of capital or revenue purposes.</p> <p>The savings identified during 2016 and made in the 2016/17 financial year help to mitigate this impact.  Senior officers are meeting with DCLG representatives and MPs to tackle this issue.</p>	
<p><i>Legal</i>  <i>See Government Changes below.</i></p>		
<p><i>Innovation</i>  <i>The use of a Housing Company to support the new build programme is introduced without reference to existing rules.</i></p>	<p>Legal and business planning advice is being sought on the best approach.</p>	
<p><i>Reputation</i>  <i>Failure to complete major housing projects due to</i></p>	<p>Business planning tools with regular updates are</p>	

<i>resources would be likely to affect both customer satisfaction levels and the Council's overall reputation.</i>	utilised to make sure resources are available to complete projects.	
<i>Government Changes; Rent reduction rules until at least April 2020; Additional funding for affordable homes; Supported Housing Benefit Caps</i>	Rent changes are under regular monitoring.  Proposed changes to benefit levels in supported housing are being closely watched to ensure we can levy charges that will not cause hardship to tenants.	Recent Government announcements on the latest Affordable Housing Programme will enable the Council to submit grant funding for new build projects, thus addressing the capital shortfall previously highlighted.

## 10 SUPPORTING INFORMATION:

### 10.1 HRA Outturn 2016/17

- 10.2 The overall surplus on the HRA in 2016/17 was £1,883,054, a variance of £506,755 on the working budget. The paragraphs below and Appendices 1 to 3 detail the key areas where savings have been made and also where carry forward items to 2017/18 have been added to the re-forecast budget.
- 10.3 HRA General – vacancy management savings of £184,000 were made in 2016/17, this is in addition to £100,000 already recognised and removed from the budget earlier in the year. Savings of £93,000 were also made against IT budget headings. It was planned to use £26,230 towards the acquisition of text messaging software but the purchase fell into 2017/18 so a carry forward has been included for this amount.
- 10.4 New Build Programme Support – the variance of £64,000 is a result of lower spending on professional fees and non-forecast income. With the proposal to investigate the creation of a housing company, it is recommended that £50,000 of this saving is used to fund legal and business development fees.
- 10.5 Estate Maintenance – the variance of £69,000 was due to a combination of lower demand on communal area building maintenance and grounds costs. This budget contains an internal recharge that was unspent but will be utilised in 2017/18 and a carry forward request is made for £13,000.
- 10.6 Sheltered Housing – The positive variance on this budget was from a saving of £63,000 for furniture and equipment, offset by small overspends on staffing and premises costs. The carry forward request is for a contribution towards new furniture at the Chesil Lodge extra care scheme (£50,000) and for unused residents' funds (£8,089) at our other extra care schemes.

- 10.7 Repairs – The positive variance of £260,000 is mainly from the demand-led responsive repairs budget. Cyclic works costs were lower than forecast due to reduced discretionary works requests and savings against gas servicing and related works. Within Repairs Administration, the variance was as a result of internal recharges that were coded to other cost areas.
- 10.8 Dwelling Rents – The reason for the variance of £73,000 in this area was from our improved position on outstanding rents which allowed a £66,000 reversal in our bad debt provision.
- 10.9 HRA Capital Programme
- 10.10 Appendix 4 shows details of the actual spending against the Council's Housing Services and New Build capital programmes, with the funding applied in Appendix 5 and amended forecast for 2017/18 in Appendix 6.
- 10.11 Major Repairs – major projects on roofing works are continuing into 2017/18 with completed work at 31 March not sufficient to use up all the funding available. On Mechanical & Electrical Services, new gas connection works were delayed, again with funding forecast for last year. With a smaller M&E budget provision in 2017/18 it is proposed to carry forward the unspent monies of £438,000 into this year.
- 10.12 Improvements & Conversions – putting the estate improvements (parking) at Trussell Crescent on hold resulted in an under spend at year end on this budget but the funds will be needed to complete these works in 2017/18. Similarly, projects on extensions are under way and the unspent balance of £52,000 will be carried forward to this year.
- 10.13 New Build Programme – Works completed and charged by contractors at year end at both Victoria Court and Chesil Street were substantially lower than forecast with completion dates for these schemes now amended to October / November 2017. The amended budget forecast shown in Appendix 6 now reflects the expected final costs at the Chesil Street (see paragraph 10.14 below), Victoria House and Hillier Way schemes. The reduced forecasts for The Valley and Mayles Lane are due to the expectation that contractor works will not start on these sites until the 2018/19 financial year.
- 10.14 Total costs for the Chesil Street Extra Care Scheme are now forecast at £16.828m against an initial Council approval in September 2015 of £15.432m, an overall increase of 9%. This rise in costs has been caused by additional works and fees – re-routing a BT cable, replacing soakaways, treating “soft spots” in the soil foundations, LABC warranties – as well as the cost of delays due to the extra works, meeting planning conditions and additions to ensure the final scheme is built to a high standard. The additional costs are being met from a combination of additional Hampshire CC grant, higher sales values, savings from other capital programme items over the last two years and extra revenue contributions. This has not impacted on the current new build programme or the way in which it is being funded.

- 10.15 Capital Funding – Appendix 5 shows the proposed funding for the capital programme for the 2016/17 year. The Council was able to use more Right to Buy 1-4-1 receipts than originally forecast but, due to the reduction in spending against the programme overall, less borrowing and revenue contributions were allocated.
- 11 Housing Service Performance Monitoring and Portfolio Plan 2016/17
- 11.1 Progress against the Housing Revenue Account Portfolio Plan for 2016/17 and the key performance for the year are shown in detail in Appendices 7 to 9 inclusive.
- 11.2 Sound progress has been made with many of the targets in the Housing Services Plan for 2016/17 with:
- The projected annual shortfall for the HRA of over £2m has now been addressed by approved changes to service priorities;
  - New Homes programme has over 100 properties under construction and another hundred subject to planning.
  - The approval of a comprehensive Housing Asset Management Strategy
  - The purchase of Milford House and Gordon Watson House for use as temporary accommodation
  - Recognition of the Council's focus on preventing homelessness by achieving the national Gold Standard for Homeless Prevention, one of only five English councils to achieve this
  - Increased usage of self service portal by tenants
- 11.3 Performance has generally been strong with many of the key indicators well within target levels as well as being within the top 25% of social landlords.. Requiring particular mention are the statistics on re-let times which continue to remain low at 11.5 days overall. Arrears were retained at only 1.25% of the total rent roll and all Council properties now comply with the Decent Homes standard.
- 11.4 Repairs performance continues to improve year on year with average time to complete repairs and overall satisfaction with repairs being well within the top 25% of social landlords nationally.
- 11.5 With regard to Gas Servicing, the Council has achieved 100% compliance for the first time in many years as a result of very close working between Housing and Legal teams. New processes to secure injunctions to gain access to properties has meant that ongoing performance should now remain at this level.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 It would be possible not to carry forward any unspent variances from 2016/17. However, this would be likely to result in additional requests for budgets later in the year.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB2860(HSG) Housing Revenue Account Budget Update and Business Plan Options 23 November 2016

CAB2893(HSG) HRA Budget 2017/18 and Business Plan 2017-2047 1 February 2017

Other Background Documents:-

None

APPENDICES:

Appendix 1 – Housing Revenue Account Outturn 2016/17 – Service Summary

Appendix 2 – Housing Revenue Account Outturn 2016/17 – Subjective Summary

Appendix 3 – Housing Revenue Account Re-Forecast Budget 2017/18

Appendix 4 – Housing Capital Programme 2016/17 Outturn

Appendix 5 – Housing Capital Programme Funding 2016/17

Appendix 6 – Housing Capital Programme Re-Forecast Budget 2017/18

Appendix 7 – Housing Revenue Account Performance – Services Outturn 2016/17

Appendix 8 – Housing Revenue Account – Performance Outturn 2016/17

Appendix 9 – Housing Revenue Account – Key Performance Indicators 2016/17



Winchester City Council Housing Revenue Account Outturn 2016/17					CAB2930(HSG)	
					Appendix 1	
		Revised				
		Forecast				
	Original	Budget per	Working			
	Budget	CAB2893(HSG)	Budget	Outturn		
<b>Housing Revenue Account: Service Summary</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2016/17</b>	<b>Variance</b>	
	£	£	£	£	£	Notes
<b>Housing Management General</b>						
Estate Management	1,117,899	1,092,793	1,145,086	1,153,106	(8,020)	
HRA General	1,811,021	1,606,188	1,650,322	1,492,065	158,257	Para.10.3
HRA Contribution to Non-Distributed Costs		211,559	211,559	207,780	3,779	
Employees-IAS19 Adjustment			(169,530)	(180,184)	10,654	Reversed below
HRA Contribution to Democratic Core		145,739	145,739	137,641	8,098	
Removal Incentive Scheme	50,000	47,000	47,000	33,038	13,962	
Rent Accounting	233,851	221,077	225,735	241,065	(15,330)	
Tenants Information	122,879	128,129	128,640	94,183	34,457	
Vacant Dwellings	22,700	14,200	14,200	6,395	7,805	
New Build Programme Support	557,216	537,216	537,216	472,986	64,230	Para.10.4
	3,915,566	4,003,901	3,935,967	3,658,074	277,893	
<b>Housing Management Special</b>						
Communal Services	(24,101)	(74,729)	(74,729)	(72,909)	(1,820)	
Disabled Adaptations	109,458	109,407	111,433	101,012	10,421	
Estate Maintenance	549,087	527,685	527,685	458,546	69,139	Para.10.5
Homelessness	(94,603)	16,716	19,633	53,681	(34,048)	
Sewage Works	181,575	190,116	190,116	181,290	8,826	
Sheltered Housing	607,671	635,585	655,571	626,238	29,333	Para.10.6
	1,329,087	1,404,780	1,429,709	1,347,858	81,851	
<b>Repairs</b>						
Responsive Maintenance	2,309,207	2,357,707	2,357,707	2,128,526	229,181	
Voids	500,000	590,000	590,000	634,069	(44,069)	
Cyclic	1,176,000	900,000	900,000	825,140	74,860	
<i>Sub - total Repairs Works</i>	3,985,207	3,847,707	3,847,707	3,587,735	259,972	
Repairs Administration	1,345,450	1,285,821	1,328,826	1,275,751	53,075	
	5,330,657	5,133,528	5,176,533	4,863,486	313,047	
Debt Management Expenses	30,000	30,000	30,000	20,463	9,537	
External Interest Payable	5,172,000	5,168,000	5,168,000	5,167,926	74	
Depreciation of Fixed Assets	5,976,430	5,976,430	5,976,430	6,041,009	(64,579)	
Amortisation of Intangibles			0	25,241	(25,241)	
Revaluations			(26,311,763)	(27,611,352)	1,299,590	Reversed below
Changes in Fair Valuations on Investment			(6,492)	(6,492)	0	Reversed below
Capital Grants and Contributions			(568,506)	(568,506)	0	Reversed below
	11,178,430	11,174,430	(15,712,330)	(16,931,711)	1,219,381	
<b>Rents and Other Income</b>						
Dwelling Rents	(26,391,560)	(26,307,507)	(26,307,507)	(26,380,213)	72,706	
Garage Rents	(850,230)	(880,900)	(880,900)	(864,010)	(16,890)	
Other Income	(284,841)	(271,541)	(271,541)	(285,382)	13,841	
Sheltered Charges	(529,990)	(498,190)	(498,190)	(497,241)	(949)	
Net Sale of Assets Proceeds			(2,894,947)	(2,894,947)	0	Reversed below
	(28,056,621)	(27,958,138)	(30,853,085)	(30,921,793)	68,708	
Surplus for year on HRA Services	(6,302,881)	(6,241,499)	(36,023,207)	(37,984,086)	1,960,879	

		Revised Forecast			CAB2930(HSG) Appendix 1 (cont)
	Original Budget	Budget per CAB2893(HSG) 2016/17	Working Budget 2016/17	Outturn 2016/17	Variance
Housing Revenue Account: Service Summary	2016/17	2016/17	2016/17	2016/17	Variance
	£	£	£	£	£ Notes
<b>Adjustments between accounting basis and funding basis under statute and transfers between reserves:</b>					
Capital Expenditure funded by HRA	9,850,000	4,871,000	4,871,000	4,462,699	408,301
Asset Disposal Administration	(20,800)	(48,100)	(48,100)	(48,100)	0
Reversal of Cost of Disposals			(3,116,033)	(3,116,033)	0 Balance Sheet
Reversal of Sale Proceeds			6,010,980	6,010,980	0 Balance Sheet
HRA Interpool Interest Payable				1,577	(1,577)
HRA Interpool Interest Receivable	(24,000)	(24,000)	(24,000)	(37,896)	13,896
Reversal of Capital Grants and Contributions			568,506	568,506	0 Balance Sheet
Reversal of Retirement Benefits			(528,057)	(528,057)	0 Balance Sheet
Reversal of Employers Contributions in Year			528,057	538,710	(10,653) Balance Sheet
Reversal of Depreciation and Impairment			(6,041,009)	(6,041,009)	0 Balance Sheet
Reversal of Intangibles			(25,241)	(25,241)	0 Balance Sheet
Reversal of Major Repairs Allowance			6,066,251	6,066,251	0 Balance Sheet
Reversal of Revaluations			26,311,763	27,611,352	(1,299,590) Balance Sheet
Reversal of Changes in Fair Valuations on Investment			6,492	6,492	0 Balance Sheet
	9,805,200	4,798,900	34,580,608	35,470,230	-889,623
<b>Net (increase)/decrease in HRA Balance before transfers to or from reserves</b>					
	3,502,319	(1,442,599)	(1,442,599)	(2,513,856)	1,071,257
Transfer re Insurance Reserve	66,300	66,300	66,300	0	66,300
Transfer to Capital Adjustment A/C to reflect debt repayment	0	0	0	630,802	(630,802)
(Increase)/ decrease in HRA Balance	3,568,619	(1,376,299)	(1,376,299)	(1,883,054)	506,755
<b>HRA Working Balance</b>					
Opening Balance	(5,082,525)	(7,115,245)	(7,115,245)	(7,115,245)	0
Add Deficit/(Surplus)	3,568,619	(1,376,299)	(1,376,299)	(1,883,054)	506,755
<b>Balance at Year End</b>	<b>(1,513,906)</b>	<b>(8,491,544)</b>	<b>(8,491,544)</b>	<b>(8,998,299)</b>	<b>506,755</b>

Winchester City Council Housing Revenue Account Outturn 2016/17					CAB2930(HSG) Appendix 2	
		Revised Forecast				
	Original Budget	Budget per CAB2893(HSG)	Working Budget	Outturn		
Housing Revenue Account: Subjective Summary	2016/17	2016/17	2016/17	2016/17	Variance	Notes
	£	£	£	£	£	
Employees	3,229,938	3,129,938	3,129,938	2,976,262	153,676	
Employees-IAS19 Pension Adjustment			0	(10,654)	10,654	Reversed below
Premises	5,247,718	5,071,817	5,071,817	4,816,390	255,427	
Transport	261,766	277,312	277,312	277,757	(445)	
Supplies & Services	876,242	914,442	914,442	651,196	263,246	
Third Party Payments	105,000	155,000	105,000	80,475	24,525	
Support Services	2,242,894	2,242,894	2,292,894	2,356,401	(63,507)	
External Interest Payable	5,196,090	5,192,090	5,192,090	5,167,926	24,164	
Depreciation on Fixed Assets	5,976,430	5,976,430	5,976,430	6,041,009	(64,579)	
Amortisation of Intangibles			0	25,241	(25,241)	
Revaluations			(26,311,763)	(27,611,352)	1,299,590	Reversed below
Reversal of Changes in Fair Valuations on Investment			(6,492)	(6,492)	0	Reversed below
External income	(29,438,959)	(29,201,422)	(29,201,422)	(29,284,791)	83,369	
Net Sales of Asset Proceeds			(2,894,947)	(2,894,947)	0	Reversed below
Capital Grants and Contributions			(568,506)	(568,506)	0	Reversed below
<b>Surplus for year on HRA Services</b>	<b>(6,302,881)</b>	<b>(6,241,499)</b>	<b>(36,023,207)</b>	<b>(37,984,086)</b>	<b>1,960,879</b>	
Adjustments between accounting basis and funding basis under statute and transfers						
Capital Expenditure funded by HRA	9,850,000	4,871,000	4,871,000	4,462,699	408,301	
Asset Disposal Administration	(20,800)	(48,100)	(48,100)	(48,100)	0	
Reversal of Cost of Disposals			(3,116,033)	(3,116,033)	0	Balance Sheet
Reversal of Sale Proceeds			6,010,980	6,010,980	0	Balance Sheet
HRA Interpool Interest Payable				1,577	(1,577)	
HRA Interpool Interest Receivable	(24,000)	(24,000)	(24,000)	(37,896)	13,896	
Reversal of Capital Grants and Contributions			568,506	568,506	(0)	Balance Sheet
Reversal of Retirement Benefits			(528,057)	(528,057)	0	Balance Sheet
Reversal of Employers Contributions in Year			528,057	538,710	(10,653)	Balance Sheet
Reversal of Depreciation and Impairment			(6,041,009)	(6,041,009)	0	Balance Sheet
Reversal of Intangibles			(25,241)	(25,241)	0	Balance Sheet
Reversal of Major Repairs Allowance			6,066,251	6,066,251	(0)	Balance Sheet
Reversal of Revaluations			26,311,763	27,611,352	(1,299,590)	Balance Sheet
Reversal of Changes in Fair Valuations on Investment			6,492	6,492	(0)	Balance Sheet
	9,805,200	4,798,900	34,580,608	35,470,230	(889,623)	
<b>Net (increase)/decrease in HRA Balance before transfers to or from reserves</b>	<b>3,502,319</b>	<b>(1,442,599)</b>	<b>(1,442,599)</b>	<b>(2,513,856)</b>	<b>1,071,257</b>	
Transfer re Insurance Reserve	66,300	66,300	66,300	0	66,300	
Transfer to Capital Adjustment A/C to reflect Debt Repayment	0	0	0	630,802	(630,802)	
<b>(Increase)/ decrease in HRA Balance</b>	<b>3,568,619</b>	<b>(1,376,299)</b>	<b>(1,376,299)</b>	<b>(1,883,054)</b>	<b>506,755</b>	
<b>HRA Working Balance</b>						
Opening Balance	(5,082,525)	(7,115,245)	(7,115,245)	(7,115,245)	(0)	
Add Deficit/(Surplus)	3,568,619	(1,376,299)	(1,376,299)	(1,883,054)	506,755	
<b>Balance at Year End</b>	<b>(1,513,906)</b>	<b>(8,491,544)</b>	<b>(8,491,544)</b>	<b>(8,998,299)</b>	<b>506,755</b>	

Housing Revenue Account 2017-18 - Re-Forecast Budget				CAB2930(HSG) Appendix 3
	2017-18		2017-18	
HRA Service Summary	Original Budget	Carry Forwards & Other Changes	Re-Forecast Budget	Report Note
	£	£	£	
<b>Housing Management General</b>				
Estate Management	1,132,404		1,132,404	
HRA General	2,045,501	26,230	2,071,731	Para.10.3
Removal Incentive Scheme	50,000		50,000	
Rent Accounting	247,894		247,894	
Tenants Information	112,317		112,317	
Vacant Dwellings	9,200		9,200	
New Build Programme Support	743,026	50,000	793,026	Para.10.4
	<b>4,340,342</b>	<b>76,230</b>	<b>4,416,572</b>	
<b>Housing Management Special</b>				
Communal Services	(90,159)		(90,159)	
Disabled Adaptations	114,363		114,363	
Estate Maintenance	523,167	13,000	536,167	Para.10.5
Homelessness	8,044		8,044	
Sewage Works	200,736		200,736	
Sheltered Housing	696,158	58,089	754,247	Para.10.6
	<b>1,452,309</b>	<b>71,089</b>	<b>1,523,398</b>	
<b>Repairs</b>				
Responsive Maintenance	2,353,846		2,353,846	
Voids	590,000		590,000	
Cyclic	900,000		900,000	
Sub - total Repairs Works	3,843,846	0	3,843,846	
Repairs Administration	1,254,090		1,254,090	
	<b>5,097,936</b>	<b>0</b>	<b>5,097,936</b>	
Debt Management Expenses	18,297		18,297	
Interest Payable	5,168,000		5,168,000	
Depreciation of Fixed Assets	5,988,560		5,988,560	
	<b>11,174,857</b>	<b>0</b>	<b>11,174,857</b>	
<b>Rents and Other Income</b>				
Dwelling Rents	(26,354,166)		(26,354,166)	
Garage Rents	(910,835)		(910,835)	
Other Income	(273,541)		(273,541)	
Sheltered Charges	(517,400)		(517,400)	
Interest Receivable	(24,000)		(24,000)	
	<b>(28,079,942)</b>	<b>0</b>	<b>(28,079,942)</b>	
<b>Surplus for year on HRA Services</b>	<b>(6,014,498)</b>	<b>147,319</b>	<b>(5,867,179)</b>	
Capital Expenditure funded by HRA	9,355,000	(1,253,000)	8,102,000	
Right to Buy Admin Fees	(20,800)		(20,800)	
<b>Net (increase)/decrease in HRA Balance before transfers to or from reserves</b>	<b>9,334,200</b>	<b>(1,253,000)</b>	<b>8,081,200</b>	
Transfer re Insurance Reserve	66,300	0	66,300	
<b>(Increase)/ decrease in HRA Balance</b>	<b>3,386,002</b>	<b>(1,105,681)</b>	<b>2,280,321</b>	
<b>HRA Working Balance</b>				
Opening Balance	(8,491,544)		(8,491,544)	
Add Projected Deficit/(Surplus)	3,386,002	(1,105,681)	2,280,321	
<b>Projected Balance at Year End</b>	<b>(5,105,542)</b>	<b>(1,105,681)</b>	<b>(6,211,223)</b>	

Housing Capital Programme - 2016/17 Outturn						CAB2930(HSG)
						Appendix 4
Housing Services - Major Repairs	Original Budget	Revised Budget	Final Forecast	Actual Results	Variance to Final Forecast	Report Note
	(CAB2761HSG)	(CAB2860HSG)	(CAB2893HSG)			
	£000	£000	£000	£	£	
External Envelope Works	3,000	2,250	2,250	1,749,346	500,654	Para.10.11
External Windows/Doors/Screens	772	600	500	502,304	-2,304	
Kitchen & Bathroom Renewals	2,033	2,033	2,033	1,921,609	111,391	
Mechanical & Electrical Services	930	1,800	1,800	1,361,754	438,246	Para.10.11
Internal Structures & Finishes	225	275	275	258,280	16,720	
External Ground Works	639	500	400	390,226	9,774	
<b>Sub-Total</b>	<b>7,599</b>	<b>7,458</b>	<b>7,258</b>	<b>6,183,519</b>	<b>1,074,481</b>	
<b>Improvements &amp; Conversions</b>						
Estate Improvements	250	280	280	191,402	88,598	Para.10.12
Loft Conversions & Extensions	220	180	180	128,232	51,768	Para.10.12
Sheltered Conversions	210	140	140	149,374	-9,374	
Sheltered Upgrades	100	160	165	161,826	3,174	
<b>Sub-Total</b>	<b>780</b>	<b>760</b>	<b>765</b>	<b>630,834</b>	<b>134,166</b>	
<b>Disabled Adaptations</b>	<b>770</b>	<b>600</b>	<b>500</b>	<b>531,552</b>	<b>-31,552</b>	
<b>Sewage Treatment Works</b>	<b>108</b>	<b>85</b>	<b>23</b>	<b>22,475</b>	<b>525</b>	
<b>Major Works Total</b>	<b>9,257</b>	<b>8,903</b>	<b>8,546</b>	<b>7,368,380</b>	<b>1,177,620</b>	
<b>New Build Programme</b>						
	£000	£000	£000	£	£	
Spring Vale, Swanmore	0	12	2	1,320	680	
New Queens Gate	0	41	41	39,500	1,500	
Westman Road (Symonds Close)	50	390	370	367,567	2,433	
Victoria House	4,113	2,650	2,300	2,103,872	196,128	Para.10.13
Hillier Way	2,171	1,200	1,120	1,034,219	85,781	
Chesil Street Extra Care	10,938	7,700	6,800	5,035,315	1,764,685	Para.10.13
Mitford Road, New Alresford	600	300	200	163,385	36,615	
The Valley, Stanmore	100	180	225	250,007	-25,007	Para.10.13
Mayles Lane, Knowle	200	100	100	75,098	24,902	Para.10.13
Bailey Close, Stanmore	180	200	100	46,293	53,707	
Greenhill Road, Fulford	380	30	0	4,111	-4,111	
Milford House (Acquisition)	2,565	2,404	2,200	2,152,763	47,237	
Property Acquisitions	560	336	336	336,100	-100	
Small Sites	207	0	0	0	0	
<b>New Build Total</b>	<b>22,064</b>	<b>15,543</b>	<b>13,794</b>	<b>11,609,550</b>	<b>2,184,450</b>	
<b>Total Capital Programme</b>	<b>31,321</b>	<b>24,446</b>	<b>22,340</b>	<b>18,977,930</b>	<b>3,362,070</b>	

Housing Capital Programme Funding 2016/17					CAB2930(HSG)	
					Appendix 5	
Funding Source	Original Budget (CAB2761 (HSG))	Revised Budget (CAB2860 (HSG))	Final Forecast (CAB2893 (HSG))	Actual Results	Variance to Final Forecast	Report Note
	£000	£000	£000	£	£	
Right to Buy 1-4-1 Receipts	728	341	218	317,927	-99,927	
RTB Other Retained Receipts	1,063	663	200	200,000	0	
Non Right to Buy Sales	670	0	0	0	0	
S.106 Contributions	2,035	2,035	2,035	2,034,905	95	
Hampshire County Council Extra Care Grant	567	1,134	1,134	566,667	567,333	
HRA Revenue Contribution to Capital	9,850	4,871	4,871	4,462,699	408,301	
Additional Borrowing	10,258	9,406	7,886	5,329,167	2,556,833	Para. 10.14
Renewable Heating Grants	0	1	1	1,839	-839	
Major Repairs Reserve	6,150	5,995	5,995	6,064,726	-69,726	
<b>Total Capital Funding</b>	<b>31,321</b>	<b>24,446</b>	<b>22,340</b>	<b>18,977,930</b>	<b>3,362,070</b>	

Housing Capital Programme - Re-Forecast Budget 2017/18			CAB2930(HSG) Appendix 6
Housing Services - Major Repairs	Original Budget (CAB2893HSG)	Re-Forecast Budget	Notes
	£000	£000	
External Envelope Works	2,932	2,932	
External Windows/Doors/Screens	445	445	
Kitchen & Bathroom Renewals	811	811	
Mechanical & Electrical Services	739	1,177	Para.10.11 Using under spend in 2016/17
Internal Structures & Finishes	233	233	
External Ground Works	970	970	
<b>Sub-Total</b>	<b>6,130</b>	<b>6,568</b>	
<b>Improvements &amp; Conversions</b>			
Estate Improvements	250	338	Para. 10.12 Trussell Crescent deferred works
Loft Conversions & Extensions	370	422	Para.10.12 For works in progress at 31.3.17
Sheltered Upgrades	100	100	
<b>Sub-Total</b>	<b>720</b>	<b>860</b>	
<b>Disabled Adaptations</b>			
	<b>770</b>	<b>770</b>	
<b>Other Capital Works</b>			
Sheltered Wi-Fi Scheme	77	77	
Sewage Treatment Works	100	100	
<b>Sub-Total</b>	<b>177</b>	<b>177</b>	
<b>Major Works Total</b>	<b>7,797</b>	<b>8,375</b>	
<b>New Build Programme</b>			
	<b>£000</b>	<b>£000</b>	
Westman Road (Symonds Close)	20	3	Retention only
Victoria House	2,229	2,648	Para. 10.13 Forecast to end of build
Hillier Way	1,499	1,105	Para. 10.13 Forecast to end of build
Chesil Street Extra Care	6,147	8,360	Para. 10.13 Forecast to end of build
Mitford Road, New Alresford	1,167	1,193	Provisional sums now confirmed
The Valley, Stanmore	3,194	300	Para. 10.13 Works likely to start 2018/19
Mayles Lane, Knowle	1,000	200	Para. 10.13 Works likely to start 2018/19
Bailey Close, Stanmore	655	729	Delayed start so under spend 16/17
Rowlings Road, Weeke	100	100	
Wykeham Place	100	100	
Sheltered Conversions	370	505	Higher tender costs & new schemes
Unallocated Sites	1,076	1,076	
<b>New Build Total</b>	<b>17,557</b>	<b>16,319</b>	
<b>Total Capital Programme</b>	<b>25,354</b>	<b>24,694</b>	





## Housing Revenue Services – Performance Outturn 2016/17

## Appendix 7

## Housing Portfolio Plan 2016/17

Which projects will contribute towards the outcomes?	Milestones	Milestone Due Date	Outturn
<b>Priority Outcome:</b> Active Communities			
<b>Objective:</b> Provision of housing to meet community needs			
Increase the supply of Affordable Housing Across the District,	<p>To complete new units at: Chesil St Extra Care Victoria Rd, Winchester</p> <p>Start on site for: Hillier Way, Abbots Barton Mitford Rd, New Alresford Baily Close, Stanmore Knowle Village Greenhill Rd, Winchester</p> <p>To design and prepare for Planning: Wilberforce Rd, Stanmore</p> <p>To complete conversions from communal space to new units at: Stanmore Library Fimrstone Rd, Winnall Spring Hse Close, Colden Common</p>	<p>Sept 17</p> <p>Jul 16 Aug 16 Nov 16 Nov 16 Jan 17</p> <p>Jan 17</p> <p>Dec 16 Dec 16 Mar 17</p>	<p>Chesil Lodge and Victoria Court projects both developing well with completion due for late November 2017.</p> <p>Hillier Way, Mitford Rd and Bailey Close schemes all now on site.</p> <p>Knowle site due to be considered by Planning Ctte in June 2017.</p> <p>Greenhill Terrace proposals not being progressed due to viability tests</p> <p>Detailed plans for the Valley/Wilberforce Rd to be considered by Planning Ctte in June 2017</p> <p>New units created at Stanmore Library, Airlea Corner, Stanmore, Harwood Place and the ex-surgery in Kingsworthy and Firmstone Rd and Colson Close in Winnall. Works now underway at Colden Common to create 3 additional units.</p>

Which projects will contribute towards the outcomes?	Milestones	Milestone Due Date	Outturn
	To develop clear plans for use of offsite resources from Whitely MDA	Jul 16	Scope for additional larger sites (both Council owned and private) currently under review.
	To review housing potential of large council owned sites,	Jul 16	As above
	To prepare a register of public land with development potential and also a register of those interested in developing/self-build in the district	Sept 16	Register now in place as part of the Housing Asset Management Strategy. Officers continue to develop and add additional sites to the register.
	To work with partners to ensure delivery and increase supply through their activities, particularly in relation to major development areas and other large projects,(Silver Hill, Station Approach, etc.	March 17	Ongoing with new affordable housing provided at a number of sites across the district. Large sites including Pitt and Kings Barton now bringing forward affordable units and also a number of smaller sites supported through the HARA programme are also underway.

## Appendix 7

To establish policies to implement and mitigate the impact of measures introduced through the Housing and Planning Act and Welfare Reform and Work Act 2016	Take measures to generate additional receipts and increase reserves in preparation for High Value Sales measures	Dec 16	Two Eastgate St properties sold in last year and three further properties currently being marketed.
	To establish effective procedures to address “Pay to Stay” measures	March 17	Mandatory “Pay to Stay” has now been removed from Govt programme
	Identify service changes to meet annual £2m shortfall from 2020 and beyond	March 17	Completed – Service priorities reviewed and amended through the asset Management Strategy. 17/18 Business Plan and HRA Budget amended accordingly and projected shortfall has been covered in full. Plan remains in surplus throughout 30 years projections.
	Support those affected by Benefit cap to get into work and to sustain tenancies	March 17	Benefits and Housing teams working together to identify those affected and offer support. “Make Money Work” campaign has been successful
To develop an HRA Asset Management Strategy to support the above programmes	Review potential for alternative strategies including sales, acquisitions, regeneration,	July 16	New Strategy approved by this Committee in December 16.
Deliver and monitor an enhanced maintenance	Enhanced Programme approved	April 2016	Programme generally completed and all “non-decent” stock now comply with Decent Homes standard. Major roofing contracts

programme for existing Council stock			completed, mainly on Stanmore, which made a significant contribution to this.
Implement a local programme of measures to prevent and address homelessness in the district	To develop and promote the “City Lets” initiative to increase supply and access to private rented accommodation	Jul 16	Good progress made in developing City Lets. Council now support 15 properties on behalf of private landlords. Since its inception in 2013, the Council has assisted 121 potentially homeless households find suitable private sector accommodation, including 19 from Council temporary accommodation.
	To maintain register of empty properties and take formal action as appropriate to address individual cases	Sept 16	326 empty homes recorded in April 2016. All properties now visited – 200 now occupied and only 15 with no plans in place to bring back into use.
	Work with partners to enable the provision of additional supported housing for single homeless individuals	March 17	Quarterly Homelessness Forum meetings held with all partners.  Milford House now available providing 21 beds of additional accommodation.
	Work with partners to support the delivery of the Syrian Refugee Resettlement programme	March 17	Very positive progress with this issue. 5 families supported in Winchester to date.  Rough sleeper pathway now approved, operational and supported by all partners.
	Quarterly reviews confirming effectiveness of “No Second Night Out” service, Alternative Giving schemes and other actions	March 2017	“Spare Change for Real Change” campaign launched and has raised significant sums for two key partners (Trinity and Nightshelter)  CCTV team working with Housing and Police to address street

	to address rough sleeping and street activity		activity.
<b>Priority Outcome:</b> High Quality Environment			
<b>Objective:</b> Ensuring that the quality of the place that we enjoy is maintained and enhanced			
Deliver a WCC estates improvement programme	Delivery of approved schemes	March 2017	Major improvement scheme for Trussell Crescent approved in December and now works underway.
To deliver actions set out in the Low Carbon Route Map aimed at improving the energy efficiency of Council housing	Programme delivered	March 2017	Over £1m invested in heating upgrades across the stock. Mains Gas installed at Mildmay Court, Winchester.
<b>Priority Outcome:</b> Efficient and Effective Council			
<b>Objective:</b> Ensuring that the Council is resilient with an agile and flexible workforce.			
Implement a Digital Transformation programme for Housing services	Major revision/refresh of Housing website pages	Jul 16	Updating/replacement of full Corporate website platform underway. Revision of all Housing pages ongoing.
	Wi fi enable communal housing schemes	Dec 16	Surveys of all schemes completed. Additional capital resource approved to fund this work in 2017/18.
	Extend use of "Your Council House" On line portal	March 17	Over 1,000 tenants now registered to use the on line portal. Over 18,000 transactions completed (resulting in corresponding reduction of phone calls) since launch in 2015.
	Effective interfaces with	Oct 16	Interfaces now available to subject to final testing. Once live,

	Contractor systems		will dramatically reduce contract administration.
	Embedded use of social media in all Housing communications	March 17	Limited increase in take up of Tenant Involvement Facebook page. Other options for followers and activity via social media currently under review.
	Paperless Direct Debit option implemented	March 17	Currently subject to testing.


HRA Performance Outturn Graphs

Appendix 8



<p><b>Percentage of homes not meeting the decent homes standard</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>13/14</td> <td>0%</td> </tr> <tr> <td>14/15</td> <td>25%</td> </tr> <tr> <td>15/16</td> <td>20%</td> </tr> <tr> <td>16/17</td> <td>0%</td> </tr> </tbody> </table> <p><b>Comment:</b> All non decent homes in 2015/16 related to roofing works and the contracts in progress at 31.3.2017 brought the percentage indicator to zero by 31 March 2017.</p>	Year	Percentage	13/14	0%	14/15	25%	15/16	20%	16/17	0%	<p><b>Current tenant rent arrears as a % of rent due</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>13/14</td> <td>0.9%</td> </tr> <tr> <td>14/15</td> <td>1.2%</td> </tr> <tr> <td>15/16</td> <td>1.4%</td> </tr> <tr> <td>16/17</td> <td>1.25%</td> </tr> </tbody> </table> <p><b>Comment:</b> Arrears performance has improved since the start of the year to 1.25% at the end of the year.</p>	Year	Percentage	13/14	0.9%	14/15	1.2%	15/16	1.4%	16/17	1.25%	<p><b>Average number of days to re-let properties</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Days</th> </tr> </thead> <tbody> <tr> <td>13/14</td> <td>20</td> </tr> <tr> <td>14/15</td> <td>13.5</td> </tr> <tr> <td>15/16</td> <td>10.5</td> </tr> <tr> <td>16/17</td> <td>11.48</td> </tr> </tbody> </table> <p><b>Comment:</b> 2016/17 figures increased slightly in the first half of the year but has recovered since. Actual performance is 11.48 days compared to an internal target of 13 days</p>	Year	Days	13/14	20	14/15	13.5	15/16	10.5	16/17	11.48
Year	Percentage																															
13/14	0%																															
14/15	25%																															
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16/17	11.48																															
<p><b>Percentage of responsive repair jobs completed within target</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>13/14</td> <td>85%</td> </tr> <tr> <td>14/15</td> <td>90%</td> </tr> <tr> <td>15/16</td> <td>90%</td> </tr> <tr> <td>16/17</td> <td>92%</td> </tr> </tbody> </table> <p><b>Comment:</b> Positive performance with the percentage consistently above 90% and well within the top 25% of social landlords.</p>	Year	Percentage	13/14	85%	14/15	90%	15/16	90%	16/17	92%	<p><b>Average number of days to complete responsive repair jobs</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Days</th> </tr> </thead> <tbody> <tr> <td>13/14</td> <td>8.5</td> </tr> <tr> <td>14/15</td> <td>6</td> </tr> <tr> <td>15/16</td> <td>5.5</td> </tr> <tr> <td>16/17</td> <td>4.2</td> </tr> </tbody> </table> <p><b>Comment:</b> A further improvement on performance on the last two years (less than 5 days compared to a target of 8 days) with jobs completed first time also increasing to 84%.</p>	Year	Days	13/14	8.5	14/15	6	15/16	5.5	16/17	4.2											
Year	Percentage																															
13/14	85%																															
14/15	90%																															
15/16	90%																															
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Year	Days																															
13/14	8.5																															
14/15	6																															
15/16	5.5																															
16/17	4.2																															

## HRA – Key Performance Indicators 2016/17

## Appendix 9

Description	2013/14	2014/15	2015/16	To 31 March 2017			Notes
	Value	Value	Value	Value	Target	Status	
% non-decent council homes	0%	25%	20%	0.00%	0%		All "non-decent" stock addressed in 16/17
Tenants' satisfaction with landlord services	86.42%	89%	89%	91%	85%		Survey completed in April 2017
Current tenant rent arrears as a % of rent due	0.88%	1.19%	1.39%	1.25%	1.3%		
% of responsive repairs jobs completed within target	86%	91%	92%	94%	90%		
Average number of days to complete responsive repairs	8.48	6.06	5.47	4.27	8		
Overall level of satisfaction for repairs jobs	97.95%	98.23%	97.38%	97.62%	95%		From 4,028 (26%) card returns
Repairs jobs completed within 1 visit	81%	82%	83%	84%	80%		95% within 2 visits
Gas servicing - The % of homes with current gas servicing certificate	99.99%	99.98%	99.28%	100.0%	100%		
% Stock empty at the end of the period	0.93%	0.36%	0.42%	0.68%	1%		
Rent & charges lost through vacant dwellings (%)	0.5%	0.58%	0.53%	0.73%	0.80%		Monetary value of this £80,470 to date
Total no. of tenancies/licensees owing over 13 weeks rent	35	32	50	39			



Description	2013/14	2014/15	2015/16	To 31 March 2017			Notes
				Value	Target	Status	
Average re-let time for General Needs and Older Persons properties (in days)	20.2	13.42	10.61	11.48	19		
Average re-let time for General Needs properties (in days)	19.06	13.21	9.69	10.93	18.5		
Average re-let time for Older Persons properties in days)	21.57	13.78	11.99	12.51	20	