REPORT TO: CABINET

DATE: 29 JANUARY 2015

TITLE: HOUSING REVENUE ACCOUNT BUSINESS PLAN 2014-2044

PORTFOLIO HOLDERS: COUNCILLOR MIKE DANVERS
                    COUNCILLOR ROD TRUAN

LEAD OFFICER: CORPORATE MANAGEMENT TEAM (01279) 446099

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This is a Key Decision
It is on the Forward Plan as Decision number 1003560
It is not subject to call in as the Plan is integral to the Housing Revenue Account Budget 2014/15 which is a recommendation to Full Council. This decision will affect no ward specifically.

RECOMMENDED that:

A The Housing Revenue Account (HRA) Business Plan 2014-44, attached as Appendix A to this report, be approved.

B Authority be delegated to the Chief Operating Officer, in consultation with the Portfolio Holder for Housing, to make minor amendments to the Plan, if necessary, following consultation.

REASON FOR DECISION

A The HRA Business Plan 2014-2044 is a formal update on the Council’s landlord service over the next 30 years. Housing stock holding Councils need to demonstrate that their business is sustainable over the long term.
BACKGROUND

1. The way in which English Councils are required to finance their housing services changed substantially from April 2012 with the beginning of self-financing.

2. The HRA Business Plan attached at Appendix A complements and is influenced by other reports submitted to this meeting for approval including:
   i. HRA Budget 2015/16.

WHAT ARE THE PLAN’S KEY THEMES?

3. The key principles already agreed and which underpin the HRA Business Plan are:

   (a) Ensure a sustainable Business Plan
   (b) Implement fair and affordable rents.
   (c) Repay borrowing of £208.837m (to finance the self-financing settlement payment) in full by 31 March 2042.
   (d) Develop and maintain an Asset Management Plan identifying short, medium, and long term priorities, implementing the Modern Homes Programmes of work and achieving the Decent Homes Standard for all properties by 31 March 2015.
   (e) Building new Council homes and develop a longer term programme subject to resources becoming available.

HOW HAS THE PLAN BEEN CHANGED?

4. The Business Plan has been updated with latest forecasted income and expenditure projections produced in partnership with tenant and leaseholder representatives. The Council is committed to resident involvement and believes that this is a way in which residents can be involved in the management of their homes.

TAKING THE PLAN FORWARD

5. The Plan is a working document subject to ongoing updates and reporting, and effectively establishes the HRA Medium Term Financial Strategy.

6. The HRA Business Plan will be reviewed together with the other landlord’s housing related policies and priorities with an updated planned to be reported to Cabinet in September 2015 following the Council’s closure of accounts for 2014/15.
7. The Council’s Housing Management Standards Board and Tenant and Leaseholder Panels will jointly monitor service delivery against the national housing standards regulated by the Homes and Communities Agency (HCA).

**IMPLICATIONS**

**Regeneration (includes Sustainability)**
Investment in the housing stock can have regenerative benefits for residential areas.
Author: Graeme Bloomer, Head of Regeneration

**Finance (Includes ICT)**
The financial implications are set out within the HRA Business Plan.
Author: Simon Freeman, Head of Finance

**Housing**
Service implications are contained in the report and accompanying Business Plan.
Author: Andrew Murray, Head of Housing

**Community Wellbeing (includes Equalities and Social Inclusion)**
The Business Plan has been developed in consultation with tenants and leaseholders, ensuring an inclusive approach to forward planning for the Council’s Housing Services.
Author: Graham Branchett, Chief Operating Officer

**Governance (includes HR)**
None specific.
Author: Brian Keane, Interim Head of Governance

**Background Papers**
None.

**Glossary of terms/abbreviations used**
HCA: Homes and Communities Agency.
HRA: Housing Revenue Account.