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| SUBJECT: | HOUSING REVENUE ACCOUNT BUSINESS PLAN 2024/54 |
| DIRECTORATE: | HOUSING AND INVESTMENT |
| REPORT AUTHOR: | PAULA BURTON, HOUSING STRATEGY & INVESTMENT MANAGER |
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1. Purpose of Report

- 1.1 This report presents the long-term Housing Revenue Account (HRA) Business Plan for 2024/54. It introduces the 30 year business plan that sets out the Councils intentions of what we want to achieve over the next 30 years.

Housing Scrutiny Sub Committee (HSSC) is asked to note the contents of the HRA Business Plan for 2024/54 and the strategic workstreams that are included in the plan.

2. Background

- 2.1 Lincoln is a successful city and demand for housing is expected to grow over the life of this business plan. The Council retains 7,800 homes, which represents approximately 20% of the city's total number of domestic homes. In addition, we also manage and maintain 1,235 council garages.

- 2.2 These 7,800 properties comprise of 3,513 Houses, 3,008 Flats, 547 Bungalows, 259 Maisonettes and 6 Bedsits. The Council also has 467 homes for older persons.

The Council employs over 280 staff in its Housing Directorate with a range of professional backgrounds and technical skills to fulfil its role as a landlord and custodians of the City's housing stock.

- 2.3 All Councils with 200 or more council houses are required to have a Housing Revenue Account.

The HRA covers revenue income and expenditure relating to the Council's own housing stock. It is an account that is ring-fenced from the Council's general fund as required by the Local Government Act 1989, which specifies the items that can be charged and credited to it.

The Council must include all costs and income relating to the Council's landlord role (except in respect of leased accommodation, for households owed a homeless duty, and in respect of accommodation provided other than under Housing Act powers).

The council has a legal duty to ensure the account remains solvent and to review the account throughout the year.

- 2.4 The HRA Business Plan sets out the income and expenditure plans for the delivery of council housing in Lincoln. The Plan and associated budgets will be reviewed and monitored annually. A five-year business plan was reviewed and approved in February 2023. However, it was apparent that a number of strategic workstreams that needed to be included in the plan (i.e. Additional Homes, Decarbonisation, Estate Regeneration) could not be planned for or delivered within a five year timeframe, so the decision was taken to develop a new long-term (30-year) business plan that would allow sufficient time and investment to deliver these long-term goals.
- 2.5 The Council's goal was to undertake a full strategic review during 2023, with the aim of having an updated 30 year HRA Business Plan that looks generationally at Lincoln's wider housing and community needs, developed and approved for the start of the 2024/25 financial year.

3. The HRA Business Plan 2024/54

- 3.1 The HRA Business Plan is attached as Appendix A. It demonstrates the HRA's current situation and outlines what the aims and expectations are for the 30 years from April 2024. This also includes the financial assumptions and projections during the lifespan of the plan.

4. Proposed Timetable/Next Steps

- 4.1 Executive – 20 November 2023

5. Strategic Priorities

- 5.1 Let's drive inclusive economic growth

The Housing Revenue Account invests over £30million in Lincoln's economy each year, with much of this spend going to local businesses and residents. These partnerships with local businesses help to support the growth of a vibrant and resilient economy in the city.

We directly employ approximately 280 people in the Directorate of Housing and Investment and enable many more jobs in our suppliers and sub-contractors. We support local businesses and residents by putting social value at a key component in our contracts with suppliers and contractors to maximise delivery of training and employment opportunities for local resident.

The provision of good quality accommodation and pleasant neighbourhoods makes the city an attractive destination for people and businesses who may be considering investing in or moving to the area.

5.2 Let's reduce all kinds of inequality

The provision of good quality housing is a fundamental human need. Providing quality accommodation will improve the quality of life for thousands of people across the city, minimise deprivation and inequality.

We are working with residents and partners in key neighbourhoods such as Sincil Bank to develop strong communities where people feel safe and welcome.

We are working with partners to support vulnerable residents by delivering a Housing First solution to assist rough sleepers to move to safe accommodation.

We are improving the quality and energy efficiency of our homes to provide attractive, comfortable homes and to reduce fuel poverty for our tenants.

5.3 Let's deliver quality housing

The business plan contains proposals to maintain and improve approximately 7,800 homes, whilst also regenerating neighbourhoods and delivering much needed new and refurbished additional homes.

We are continuing to further improve our existing properties and estates through the Decent Homes and Estate regeneration programmes. These programmes will provide good quality homes in attractive, appealing neighbourhoods.

5.4 Let's enhance our remarkable place

We fully appreciate the importance of investing in our homes and estates to ensure we deliver good quality homes in nice neighbourhoods. We have carried out an estate regeneration review of all ten housing estates, in order to better understand the individual position for each neighbourhood. In addition, we completed an option appraisal for two high-rise blocks together with a review of older persons accommodation to ensure they are fit-for-purpose. The results of these reviews will inform our investment decisions over the life of this business plan.

Repairing, maintaining, and improving homes and neighbourhoods is essential if we are to enhance our beautiful city. We continue to improve our homes and neighbourhoods to ensure that residents can enjoy their homes and the surrounding environment.

5.5 Let's address the challenge of climate change

We are working to make our council housing as energy efficient as possible. Our asset investment plan includes the fitting of additional insulation, high-quality double-glazed windows, and efficient heating systems. This is lowering the carbon emissions from our homes as well as reducing fuel poverty for our tenants.

We are also using the HRA to drive down our carbon footprint by introducing a modern efficient fleet of vehicles, using "batched" scheduled repairs where possible and by specifying sustainable building materials.

6. Organisational Impacts

6.1 Finance

The provision of housing accommodation is set out in Part II of the Housing Act 1985. Statutory requirements regarding keeping of a Housing Revenue Account (HRA) are contained in the Local Government and Housing Act 1989 ("Act"). The provisions contain a duty under section 76 of the Act, to budget to prevent a debit balance on the HRA and to implement and review the budget. The Act places a duty on local housing authorities to: (i) to produce and make available for public inspection, an annual budget for their HRA, which avoids a deficit; (ii) to review and if necessary, revise that budget from time to time and (iii) to take all reasonably practical steps to avoid an end of year deficit.

6.2 Legal

The expenditure referred to in this report will be spent pursuant to the Council's powers and duties and the Council has a duty to disclose information as set out in the Housing Revenue Account (Accounting Practices) Directions 2016.

All procurement associated with the delivery of the Business Plan and subsequent works to the Council's Housing stock will be undertaken in line with the requirements of the Authority's own Contract Procedure Rules and Public Contract Regulations, which are embedded in UK law.

6.3 Equality, Diversity and Human Rights

The Equalities Act 2010 introduced a single public sector equality duty. This duty requires the Council to have due regard in its decision-making processes to the need to:

- a) Eliminate discrimination, harassment, victimisation, or other prohibited conduct.
- b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it, and.
- c) Foster good relationships between those who share a relevant characteristic and those that do not share it.

The relevant protected shared characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The Council is required to act in accordance with the equality duty and to have due regard to the duty when carrying out its functions, which includes making new decisions in the current context and in relation to the new strategy.

It should be noted in respect of the Council's public sector equalities duties where the setting of the capital, revenue and HRA budget results in new policies or policy change the relevant service department will carry out an equality impact assessment to secure delivery of that duty including consultation as may be required.

In addition, any estate regeneration schemes are subject to an Equalities Impact Assessment to ensure any arising issues are addressed. DDA works and disabled adaptations are included as essential works within the capital programme. Further Equalities Impact Assessments and/or consultation may be necessary if significant changes are envisaged to Housing Management Services or Schemes.

7. Risk Implications

- 7.1 Failure for the HRA Business Plan to get the approval of the Executive Committee would have a detrimental impact on the delivery of housing services in Lincoln.

8. Recommendation

- 8.1 Housing Scrutiny Sub Committee is asked to note the contents of the HRA 30 Year Business Plan and support the report and Business Plan to proceed to Executive Committee.

Is this a key decision? Yes

Do the exempt information categories apply? No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply? No

How many appendices does the report contain? 1

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