

# **Report to Housing Scrutiny Standing Panel**

**Date of meeting: 23 March 2009**

**Subject: HRA Business Plan 2009/10**

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**Committee Secretary: M Jenkins, Office of the Chief Executive (01992 56 4607)**

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## **Recommendations/Decisions Required:**

**That the Housing Revenue Account (HRA) Business Plan 2009/10, incorporating the Repairs and Maintenance Business Plan 2009/10, attached as an Appendix to this report, be recommended to the Housing Portfolio Holder for adoption.**

## **Report:**

1. The Government's Communities and Local Government (DCLG) requires all local authorities to produce annual Business Plans for their Housing Revenue Accounts (HRAs). The CLG's intention is to ensure that local authority housing is used and maintained to maximum effect. HRA Business Plans deal with councils' plans and performance for the delivery and quality of its housing services to tenants. Detailed guidance was issued by the former ODPM (the predecessor to the CLG), which prescribes the form in which business plans must be produced, and includes the requirement for clear repair and maintenance strategies to be set out and, ideally, for detailed financial forecasts to be produced for thirty years hence.

2. In 2003, the Council's Housing Revenue Account (HRA) Business Plan was assessed by the Government Office as fully "fit for purpose". For a Business Plan to be designated as "fit for purpose", it has to meet stringent "fit for purpose" criteria laid down by the ODPM/DCLG.

## **HRA Business Plan 2009/10**

3. The latest draft HRA Business Plan 2009/10 is attached. The Council's Audit and Governance Committee requires that all of the Council's Business Plans are completed and published by 31 March each year. Therefore, all the statistics and information within the Business Plan relating to the "last financial year", and the most up to date information, relates to 2007/8, which is the last year that full year statistics are available.

4. The main changes to the Business Plan this year are:

- Updated statistics relating to 2007/8
- Updated summary of key activities and achievements in 2008/9 (Section 3.5)
- Updated Key Housing Priorities (Section 3.6)
- Updated section on the District's Housing Needs Relevant to the Business Plan, to take account of the recently complete Strategic Housing Market Assessment, which replaces the previous Housing Needs Survey (Section 4.13)
- Updated section on Tenant Satisfaction, to take account of the most recent Tenant Satisfaction Survey undertaken in 2008 (Section 5.4)
- Updated section on the Housing Value for Money Analysis (Section 6.6)
- Revised Financial Plan (Chapter 11)
- New Action Plan (Chapter 13)

- An updated Repairs & Maintenance Business Plan (Appendix 1)
- An updated Plain English Summary, incorporating the above changes and including new sections on Quality Housing Services, Value for Money, Diversity & Equality and Risk Management, not previously included in the Summary

### **Repairs and Maintenance Business Plan 2008/9**

5. An important part of the HRA Business Plan relates to the Council's objectives, strategies and plans relating to the repair and maintenance of the Council's housing stock over the next 30 years. This includes the Council's progress with meeting the Government's decent homes standard, which sets out a criteria against which local authorities must assess whether or not each of their homes are "decent". The Government has given local authorities a target of ensuring that all their homes are decent by 2010. As in previous years, the Repairs and Maintenance Business Plan forms Appendix 1 to the main HRA Business Plan.

### **30-Year Financial Plan**

6. Another important part of the HRA Business Plan is the Financial Plan - which is provided at Chapter 11 and Appendices 6 and 7 - and considers projected income and expenditure for the HRA over a 30-year period. The Financial Plan shows that there is sufficient income to meet the necessary level of expenditure on management, repairs and maintenance for the foreseeable future. The HRA is in a slightly healthier state than last year, since the HRA is now estimated to fall into deficit in Year 20, compared to the forecast of Year 19 in last year's Financial Plan. In any event, before that time, any number of the financial assumptions could vary significantly.

### **Scrutiny Panel**

7. The Scrutiny Panel is asked to consider and recommend the HRA Business Plan 2009/10, incorporating the Repairs and Maintenance Business Plan, to the Housing Portfolio Holder for adoption.

8. The draft HRA Business Plan is due to be discussed by the Tenants and Leaseholders Federation at their meeting on 24 March 2009.