

Report to Housing and Finance & Performance Management Scrutiny Panels

Date of meeting: 28th November 2011

Portfolio: Housing – Cllr M. McEwen

Subject: HRA Financial Plan – Consultation on Strategic Approach

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Committee Secretary: Mark Jenkins



Recommendations/Decisions Required:

That the two Scrutiny Panels consider the attached draft report and recommendations of the Housing Portfolio Holder to the Cabinet on a proposed strategic approach to the HRA Financial Plan following the introduction of self financing, together with the accompanying report from CIHConsult (the Council's HRA business planning consultants), and provide their comments to the Cabinet on the 5th December 2011 before the Cabinet it makes its decision.

Report:

1. At its meeting on the 5th December 2011, the Cabinet will be considering the attached draft report and recommendations of the Housing Portfolio Holder, together with the accompanying report from CIHConsult (the Council's HRA Business Planning Consultants), on the proposed strategic approach to be taken to the Council's HRA Financial Plan in readiness for the Government's introduction of self-financing for the HRA from April 2012.
2. In view of the importance of this issue, the Cabinet has previously suggested that both the Housing and the Finance & Performance Management Scrutiny Panels should consider the issues and options and has invited them to provide the Cabinet with their views before it makes a decision. It was subsequently agreed that a *Joint Meeting* of the two Scrutiny Panels should be held. The Tenants and Leaseholders Federation will also be meeting separately to consider the issues.
3. The Cabinet has held an informal meeting with the Council's HRA business planning consultants, CIHConsult, which has led to the attached draft report and recommendations of the Housing Portfolio Holder to the forthcoming Cabinet meeting on the 5th December 2011. The Scrutiny Panels are asked to note that the final version of the report to the Cabinet may differ from the attached draft. If this is the case, any changes will be reported orally at the Joint Meeting.
4. Attached as an Appendix to the draft report to the Cabinet is a detailed report on the issues and options relating to the formulation of a new HRA Financial Plan by CIHConsult. Simon Smith from CIHConsult will attend the Joint Scrutiny Panel meeting to present his

report and answer members' questions. There will also be the ability at the meeting to consider, discuss and profile a range of "what if" scenarios, using CIHConsult's modelling tool live.

5. The Scrutiny Panels are invited to consider the Housing Portfolio Holder's draft report and recommendations and, after receiving the presentation from CIHConsult, to consider and formulate its comments to the Cabinet on the draft report – which will be reported orally to the Cabinet by a representative from the Joint Meeting of the Scrutiny Panel, at the same time as the views of the Tenants and Leaseholders Federation are reported.