

Meeting: Executive

Portfolio Area: Housing

Date: 16 February 2005

HOUSING REVENUE ACCOUNT BUSINESS PLAN

KEY DECISION

Author – Peter Camp

Contributors – Jo Barrett Ext. No. 2590, Valerie Corrigan Ext. No. 2456,

Pauline Coletta Ext. No. 2933

Lead Officer – Debbie Rabôt Ext.No. 2455

Contact Officer – Debbie Rabôt Ext.No. 2455

1 PURPOSE

To seek approval to the attached 2 year HRA Business Plan and agreement for its submission to the government office for the eastern region, GO – East

2 RECOMMENDATIONS

- 2.1 Members agree to delegate authorisation of amendments to this document to the Executive Member and the Director
- 2.2 The 2 year Housing Revenue Account Business Plan is approved for submission to GO – East.

3 BACKGROUND

- 3.1 The Government has made the HRA Business Plan the heart of its financial framework for local authority housing. It has required every local authority to produce a Housing Business Plan that is assessed by GO – East as being 'Fit for Purpose'. Central to the Business Plan is the Stock Condition Survey, which determines the work programmes and investment requirement to bring the housing stock up to Decent Homes Standard by 2010.
- 3.2 A stock condition survey was undertaken for the Stevenage stock during 2003-4. In line with best practice it was agreed to have the results validated independently. As a result of the validation process it was decided to carry out further surveys to supplement our information. Additional work is being undertaken to give the Borough robust data on the condition of properties of a non-traditional construction and to provide more comprehensive information on traditionally built homes. This survey is targeted to report back in April 2005.

- 3.3 Following discussions with GO – East, it has been agreed rather than wait for Plan will be produced and submitted, that a two year Business Plan be formulated setting out the key strategic aims of the Council in respect of its housing stock and the action plan it was putting in place to address them. In agreeing this it was accepted that the Council could not be awarded 'Fit for Purpose' for its Business Plan, as it did not deal with the full stock condition survey, the longer term financial planning showing how it would deliver and resource the Decent Homes Standard by 2010 and also the long term viability of the Housing Revenue Account.
- 3.3 Strategic Context and the Housing Services Contribution to the Community Plan with the exception of the Priority 5 Enabling Decent Homes, gives the long term analysis of the housing situation within Stevenage and will be the basis of the 5 year Business Plan when it is produced. The actual Capital & Revenue budgets have been used for the 2004/5 financial year and the proposed estimates for 2005/6.

The Capital and Revenue budgets for housing maintenance and Improvements programme have been based upon the stock condition data we currently hold together with local knowledge and feedback from the tenants.

Appendix 6 sets out the two year action plan to be achieved over the life of this Business Plan and lays the foundation for the 5 year Business Plan by addressing the key strategic objectives the Council has set itself through the Community

4 IMPLICATIONS

4.1 Financial Implications

There are no direct financial implications arising from the production of the HRA 2 Year Business Plan. However, the document refer extensively to underlying financial issues for HRA, which are principally covered in Section Four 'Resources' and detail the current Revenue and Capital Budgets for the HRA. Significant financial issues referred to in the Business Plan and to be addressed in the coming year are that:

- In-line with its key objectives the Council has currently allocated significant resources to Housing within its Capital Strategy. The current level of allocation will be reviewed subject to the outcome of the HRA Stock Condition Survey.
- The outcome of the Options Appraisal process has the potential to have a major impact on the Council and the resources available for Housing.

4.2 Legal Implications

The Council is required to produce a 5 year Business Plan that is fit for purpose

4.3 Policy Implications

All of the proposals in this report are intended to be consistent with the Corporate Business Strategy ambitions and priorities that relate to the housing stock:

4.4 Service Delivery Implications

The Business Plan is the mechanism by which the Council plans, allocates its resources and monitor its progress on the delivery of the housing service to its tenants in the town.

5 BACKGROUND DOCUMENTS

Draft Housing Strategy (Draft Copy available in Members Library)

6 APPENDICES

Appendix A Housing Revenue Account 2 year Business Plan 2004-2006