

Meeting of the City Council

25 January 2023

Report title	Housing Revenue Accounts Business Plan 2023-2024 including Rent and Service Charges	
Referring body	Cabinet – 18 January 2023	
Councillor to present report	Councillor Bhupinder Gakhal	
Wards affected	All Wards	
Cabinet Members with lead responsibility	Councillor Bhupinder Gakhal, City Assets and Housing Councillor Obaida Ahmed, Resources and Digital City	
Accountable directors	John Roseblade, Director of City Housing and Environment Claire Nye, Director of Finance	
Originating service	Housing Finance	
Accountable employee	Andrew Bryant	Service Lead Landlord Services
	Tel	01902 558433
	Email	andrew.bryant@wolverhampton.gov.uk
Report to be/has been considered by	Strategic Executive Board	13 December 2022
	Scrutiny Board	24 January 2023
	Cabinet	18 January 2023

Recommendations for decision:

The Council to be recommended to:

1. Adopt the Business Plan set out at Appendix 1 to the Cabinet report as the approved Housing Revenue Account Business Plan including:
 - a. The revenue budget for 2023-2024 at Appendix 1 to the report.
 - b. The Capital Programme for 2023-2024 to 2027-2028 at Appendix 2 to the report that includes the following among the proposed investment plans:
 - £105 million for new homes
 - £67 million provision for estate remodelling
 - £39 million to complete the refurbishment of the Heath Town estate
 - £43 million remediation works to non-traditional properties including energy efficiency improvements

- £114 million for programmes to high rise estates to include building safety improvements, infrastructure replacement, and external works to include energy efficiency.
2. Approve the implementation of an increase of 7% to social housing rents in accordance with the Welfare Reform and Work Act 2016 and to give 28 days notice to all secure and introductory tenants of the rent increase from 1 April 2023.
 3. Approve the rates for garage rents and service charges set out in Appendix 3 to the report and formally notifies tenants.
 4. Approve an increase to Shared Ownership rents of 7%.
 5. Delegate authority to approve the final Management Allowances for Managing Agents in 2023-2024 to include a virement from the debt management repayment budget if required to the Cabinet Members for City Assets and Housing and Resources and Digital City in consultation with the Director of Finance and Director of City Housing and Environment to enable a full review of cost pressures.
 6. Delegate authority to agree a financial assistance scheme for tenants experiencing financial hardship to the Cabinet Members for City Assets and Housing and Resources and Digital City in consultation with Director of Finance and Director of City Housing and Environment to be in place by 1 April 2023.
 7. Approve the HRA Financial Management and Investment Strategy, at Appendix 6 to the Business Plan.

1.0 Purpose

- 1.1 To present an updated Housing Revenue Account (HRA) Business Plan 2023-2024 which is intended to balance the provision of new homes for rent, whilst continuing to invest in better and safer homes programmes to the existing stock and improving and redeveloping housing estates.
- 1.2 The report also provides, as an integral part of that Business Plan, a proposed HRA budget for 2023-2024, including proposed rents and service charges to take effect from 1 April 2023, and a proposed HRA Capital Programme for the period 2023-2024 to 2027-2028 recommended for approval.

2.0 Background

- 2.1 On 18 January 2023 Cabinet are to consider a report on Housing Revenue Account Business Plan 2023-2024 including Rent And Service Charges
- 2.2 Copies of the report have been supplied to Councillors and can also be accessed online on the Council's website [here](#).
- 2.3 Cabinet has been recommended to recommend that Council:
 1. Adopt the Business Plan set out at Appendix 1 to this report as the approved Housing Revenue Account Business Plan including:
 - a. The revenue budget for 2023-2024 at Appendix 1 to this report.
 - b. The Capital Programme for 2023-2024 to 2027-2028 at Appendix 2 to this report that includes the following among the proposed investment plans:
 - £105 million for new homes
 - £67 million provision for estate remodelling
 - £39 million to complete the refurbishment of the Heath Town estate
 - £43 million remediation works to non-traditional properties including energy efficiency improvements
 - £114 million for programmes to high rise estates to include building safety improvements, infrastructure replacement, and external works to include energy efficiency.
 2. Approve the implementation of an increase of 7% to social housing rents in accordance with the Welfare Reform and Work Act 2016 and to give 28 days notice to all secure and introductory tenants of the rent increase from 1 April 2023.
 3. Approve the rates for garage rents and service charges set out in Appendix 3 to this report and formally notifies tenants.
 4. Approve an increase to Shared Ownership rents of 7%.

5. Delegate authority to approve the final Management Allowances for Managing Agents in 2023-2024 to include a virement from the debt management repayment budget if required to the Cabinet Members for City Assets and Housing and Resources and Digital City in consultation with the Director of Finance and Director of City Housing and Environment to enable a full review of cost pressures.
6. Delegate authority to agree a financial assistance scheme for tenants experiencing financial hardship to the Cabinet Members for City Assets and Housing and Resources and Digital City in consultation with Director of Finance and Director of City Housing and Environment to be in place by 1 April 2023.
7. Approve the HRA Financial Management and Investment Strategy, at Appendix 6 to the Business Plan.

3.0 Financial implications

- 3.1 The financial implications are detailed in the Cabinet report of 18 January 2023

4.0 Legal implications

- 4.1 The legal implications are detailed in the Cabinet report of 18 January 2023

5.0 Equalities implications

- 5.1 The equalities implications are detailed in the Cabinet report of 18 January 2023

6.0 All other implications

- 6.1 All other implications are detailed in the Cabinet report of 18 January 2023.

7.0 Schedule of background papers

- 7.1 Cabinet report of 18 January 2023 – [Housing Revenue Account Business Plan 2023-2024 including Rent And Service Charges](#)