

HRA MTFP Budget Pressures

Portfolio Holder	Reference	Lead Officer	Description	Risk Level	Budget	Change					Reason
						2023/24	2024/25	2025/26	2026/27	2027/28	
						£m	£m	£m	£m	£m	
PRESSURES ONE-OFF											
Emily Darlington	HOP01	Stuart Proffitt	Extension of asset database (Keystone) for one more year to allow for the smooth transition of data into our main Housing Management System, NEC. This software holds and manages our stock condition, decency, energy and asbestos information and drives the profile of investment needed across the stock as part of the HRA business plan. An extension of one year allows us to dual run systems to ensure accuracy of data.	Low	0.000	0.100	(0.100)	0.000	0.000	0.000	Policy Choice
Emily Darlington	HOP02	Stuart Proffitt	Additional resource in grounds maintenance for open space on housing land to be brought to a reasonable standard. This will address the backlogs which will then be maintained on an ongoing basis through service charges (subject to consultation with tenants which is now underway).	Low	0.310	0.250	(0.300)	0.000	0.000	0.000	Demand
Emily Darlington	HOP03	Stuart Proffitt	Costs for legal fees, project management, procurement and external specialist technical/sector support associated with the recommissioning and implementation of the hybrid model for the delivery plans associated with the housing maintenance, investment and compliance activities. This is in relation to the Housing Commissioning Delegated Decision taken on 19 September 2023.	Low	0.235	0.765	(1.000)	0.000	0.000	0.000	Policy Choice
Emily Darlington	HOP04	Steve Richardson	The RentSense system is used to manage housing debt and income collection. As part of the wider NEC development project it was originally proposed to move to NEC Analytics in 2024/25 but this will be delayed by two years, until September 2026 due to the risk of system and data transfer during a period of risk regarding collection (cost of living impact and transition to universal credit).	Low	0.000	0.120	0.005	(0.063)	(0.063)	(0.063)	Policy Choice
						1.235	(1.395)	(0.063)	(0.063)		

Portfolio Holder	Reference	Lead Officer	Description	Risk Level (RAG)	Budget	Change					Reason
						2023/24	2024/25	2025/26	2026/27	2027/28	
						£m	£m	£m	£m	£m	
PRESSURES PERMANENT											
Emily Darlington	HP01	Stuart Proffitt	Disrepair cases have increased significantly in recent years from 31 cases in 2021 to 76 cases in 2022 (241%). There have been 58 cases to date in 2023 and is expected to be 99 cases by the end of the year. As a result, additional legal resource is required and the budget pressure reflects an additional Senior Housing Lawyer and Paralegal.	Low	0.000	0.109	0.000	0.000	0.000	0.000	Demand
Emily Darlington	HP02	Stuart Proffitt	When we purchased properties through the Next Steps Accommodation Programme (government grant funded proposal to tackle homelessness) the majority were flats. We have therefore become the leaseholder, with another organisation owning the freehold and will be required to pay service charges. Some related costs e.g. insurance and the management fee cannot be passed on to our tenants.	Low	0.000	0.040	0.000	0.000	0.000	0.000	Policy Choice
Emily Darlington	HP03	Steve Richardson	A consultation by the Regulator of Social Housing (RSH) is proposing a doubling of the fees social landlords pay to ensure it can deliver its expanded role. This would see our statutory subscription increase to £0.125m per year. The Government consultation closed on 31 October 2023 and we await the outcome.	Low	0.070	0.055	0.000	0.000	0.000	0.000	Policy Choice
Emily Darlington	HP04	Stuart Proffitt	Decant costs are incurred when we have to move a tenant out of their home, which could be to allow for essential repairs to be carried out and the tenants are not able to stay in the home while the repairs are being done.	Medium	0.015	0.150	0.000	0.000	0.000	0.000	Demand
Emily Darlington	HP05	Stuart Proffitt	Council Tax is payable by the HRA for void properties, including those that are pending repair works, awaiting either sale or demolition and includes the assumed void levels for the decant programmes for Serpentine Court and the Reema blocks. A programme for disposal of assets that are not possible or economic to repair is underway which is expected to result in the Council Tax loss reducing in future years.	Medium	0.200	0.263	(0.100)	(0.089)	(0.001)	(0.001)	Demand
Emily Darlington	HP06	Steve Richardson	Following the successful trial of a two year fixed term post in the Income Team, this will now be made permanent. In addition the Income Officers have been regraded following Job Evaluation which has resulted in significant improvements in the collection rate and arrears performance. Review of processes and systems improvements including automation of low level debt will in turn lead to efficiencies. This is also linked to the economic climate and returning to business as normal.	Low	0.722	0.097	(0.036)	(0.045)	(0.088)	(0.088)	Demand
Emily Darlington	HP07	Stuart Proffitt	The construction method of our 16 REEMA blocks means they are reaching the end of their useful life. The blocks are structurally safe, however they are becoming less and less viable to repair and as a result, we will be decommissioning these blocks. This budget will fund the monitoring and repair work for all blocks, along with fencing, external canopied walkways and access to the side and roof of the blocks, along with the costs of decommissioning and moving of residents out in the three phases.	Medium	0.000	0.567	(0.077)	(0.057)	0.044	0.044	Policy Choice
Emily Darlington	HP08	Victoria Collins	An Allocations Officer has been employed to support with tenant moves in relation to Serpentine Court and the REEMA blocks.	Low	0.000	0.038	0.000	0.000	0.000	0.000	Demand
						1.319	(0.213)	(0.191)	(0.045)		