

## HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN & HRA BUDGET 2023-24

1. Approval of the Housing Revenue Account is a function reserved to full Council.
2. At its meeting on 7th February 2023, the Strategy and Resources Policy Committee received a report of the Executive Director, Operational Services, providing the 2023-24 update of the Housing Revenue Account (HRA) Business Plan, including revised priorities and capital improvement plans for 2023-24. The report also set out the 2023-24 Housing Revenue Account (HRA) revenue budget and revenue contribution to capital for the Council housing stock in Sheffield.
3. The Committee was also informed (via the receipt of a supplementary report) that the HRA Business Plan for 2023-24 had been considered at the meeting of the Housing Policy Committee on 2<sup>nd</sup> February, and that that Committee had identified four matters which it had requested be considered by the Strategy and Resources Policy Committee when it makes its recommendations to the full Council in relation to the approval of the Housing Revenue Account.
4. Those four matters were – (1) maintaining the Stock Increase Programme (SIP); (2) looking again at how to invest in order to decrease the repairs bill; (3) looking at the possibility of further investment into retro-fitting; and (4) increasing tenant involvement, exploring the option of tenant-led local housing advisory panels and reporting arrangements with LACs.
5. Members of the Strategy and Resources Policy Committee asked questions of the Director of Housing in relation to the HRA Business Plan and Budget, including in relation to the matters identified by the Housing Policy Committee. The Committee made no decisions in respect of those matters but during the debate it was noted that amendments may be submitted for consideration by Full Council in relation to the HRA Business Plan and Budget which may make proposals concerning those matters.
6. The resolution passed by the Strategy and Resources Policy Committee is set out below.

**RESOLVED:** That the Strategy and Resources Policy Committee approves for submission to the meeting of the City Council on 20th February 2023:-

- (1) the HRA Business Plan report for 2023-24, as set out in the Financial Appendix to the report;
- (2) the HRA Revenue Budget 2023-24, as set out in the Financial Appendix to the report;
- (3) rent increases for council dwellings by 7% from April 2023, in line with the Regulator of Social Housing's Rent Standard;
- (4) rent increases for temporary accommodation by 7% for 2023-24;
- (5) garage rent increases for garage plots and garage sites by 7% from April 2023;

- (6) the sheltered housing charge increase by 7% for 2023-24;
- (7) the burglar alarm charge increase by 7% for 2023-24;
- (8) the furnished accommodation charge increase by 7% for 2023-24;
- (9) the Hardship Fund increase by a further £300,000 for 2023/24, to £450,000; and
- (10) no increase to the community heating charge at this time.

## **Recommendation**

That the Council approves the Housing Revenue Account Business Plan and budget including the increases to rents and charges set out in the recommendations made by the Strategy and Resources Policy Committee, as above.

## **Options**

Full Council may:-

- (i) approve in full the recommendations made by the Strategy and Resources Policy Committee; or
- (ii) approve with modification the recommendations made by the Strategy and Resources Policy Committee, subject to the caveats below.

In considering the options, Full Council must have full regard to the contents of the report to Co-operative Executive including, in particular, the implications that are highlighted in the report. Full Council's attention is drawn to the statutory requirements noted in the report, that the Authority must:-

- (A) comply with the Regulator of Social Housing's Rent Standard, as a Registered Provider of Social Housing, and accordingly increase dwelling rents in accordance with the Government's Rent Policy Statement. The Policy Statement sets a ceiling on the rent increase for 2023-24 of no more than 7% and the Department for Levelling up, Housing and Communities has issued a Direction to the Regulator to that effect.
- (B) formulate proposals relating to HRA income and expenditure no later than February each year in accordance with Part VI of the Local Government and Housing Act 1989.

(NOTE: A copy of the report submitted to the Strategy and Resources Policy Committee, together with the addendum containing the resolution of the Housing Policy Committee, are attached.)

Ajman Ali, Executive Director, Operational Services