

Cabinet

Supplementary Information



Date: Tuesday, 24 January 2023

Time: 4.00 pm

Venue: The Council Chamber - City Hall, College Green, Bristol, BS1 5TR

10. Housing Revenue Account (HRA) Budget Proposals 2023/24

(Pages 2 - 65)

Issued by: Sam Wilcock, Democratic Services

City Hall, Bristol, BS1 9NE

E-mail: democratic.services@bristol.gov.uk

Date: Tuesday, 17 January 2023



Decision Pathway – Report

PURPOSE: Key decision

MEETING: Cabinet

DATE: 24 January 2023

TITLE	Housing Revenue Account (HRA) Budget 2023/24	
Ward(s)	Citywide	
Author: Sarah Spicer	Job title: Business Innovation Manager	
Cabinet lead: Councillor Craig Cheney, Cabinet Member for Finance, Governance and Performance and Councillor Tom Renhard, Cabinet Member for Housing Delivery and Homes	Executive Director lead: Stephen Peacock, Chief Executive	
Proposal origin: Councillor		
Decision maker: Full Council		
Decision forum: Full Council		
Purpose of Report:		
<ol style="list-style-type: none"> 1. To seek Cabinet’s endorsement of the proposed 2023/24 Housing Revenue Account (HRA) Budget and 5-year medium term financial plan (MTFP). 2. To seek delegated authority to appoint all necessary contractors and apply for/receive grants to deliver the Housing Investment Plan (HIP) (Appendix A2) and HRA Development Programme for new council homes (Appendix A3). 3. To note, to ensure long-term viability of HRA finances, the 30-year HRA business plan has been refreshed and updated to reflect the new budget and MTFP requirements. 		
Evidence Base:		
<ol style="list-style-type: none"> 1. The Housing Revenue Account (HRA) is a separate ring-fenced account and covers all activities of Bristol City Council as a landlord. A 1-year revenue budget for 2023/24 and a 5-year capital programme 2023/24 – 2027/28 are being presented for approval. The budget has been set to ensure that the HRA can deliver its essential services, which include repairs, maintenance, and improvements to the housing stock plus delivery of core housing management services. In addition, there is provision for new investment priorities identified in 2022/23, new pressures and contributions to the city’s priorities for housing delivery. 2. These proposals have all been evaluated within our 30-year HRA Business Plan model, to ensure they are affordable and that the plan stays in surplus through the plan period. 3. When setting this year’s (2022/23) HRA Budget there was extensive consultation through the ‘Big Housing Conversation: Investment in Council Housing’. This informed the current budget, MTFP and 30-year business plan. As a result, commitments were made to increase the investment in the existing stock, to be funded through a series of above inflationary increases in rents starting from 2022/23. 4. There are significant pressures affecting the 2023/24 budget, MTFP and 30-year business plan, these include: <ul style="list-style-type: none"> • The national 7% social housing rent cap • Above inflationary increases in costs for materials, utilities, contracts and development of new homes • New costs for fire safety measures within high rise blocks • Provision for a transformation programme to replace several housing IT systems with a single platform (outline business case approved by Cabinet June 2022). 5. From 2016-2020 Government policy set a requirement for social landlords to decrease social rents by 1% per year, reducing income levels and capacity. The current Government policy, effective from 2020, allowed social landlords to increase social housing rents by inflation plus 1% each year, for five years. In September 		

2022, with inflation reaching around 10%, the government consulted on a temporary amendment to the rent standard policy (CPI+1%) for 2023-24 and the outcome of 7% rent increase cap was announced in the autumn statement

6. However, many costs have increased above average rates of inflation, this includes costs for materials, contracts, utilities and building new homes.
7. Fire safety: This year we started a new inspection programme, following new regulatory requirements known as PAS9980. These inspections provide us with more comprehensive information about the cladding and external wall system as a whole and assesses risks against a new guidance structure. We have received final reports where the external wall system has been considered as part of the fire risk assessment (FRAEW) for three blocks and all reports concluded that the presence of Expanded Polystyrene System (EPS) elevates the fire safety risk in the buildings.
8. Following the tragedy at Grenfell Towers in 2017, Aluminium Composite Material (ACM) cladding was the focus of attention from experts in the industry and was subject to the government's testing regime. At this time, BCC instigated independent checks on 27 clad high-rise blocks. As a result, there was a programme of works carried out to repair cladding, install missing fire breaks, increase ventilation, to increase safety on some blocks. At that point, concern was not raised about the EPS cladding. However, the industry generally and fire safety experts are now considering the risks posted by other cladding types, as well as other components of the external wall systems, e.g., balcony design. Further, we have also had two fires in high rise blocks over the last few months, Twinnell House on 25th September where the cladding was assessed as performing well, and Ecclestone House on 20th October where the assessment was that the (EPS) cladding in the stairwell contributed to the spread of the fire. As a result, additional programmes of work are now included in the 23/24 Housing Investment Plan for cladding removal and interim fire safety measures.
9. Increasing rents by 7%, rather than inflation plus 1%, for 2023/24 limits the capacity available to fund major works without the need to borrow in the long term. This reduces capacity for strategic borrowing aimed towards new builds and housing supply and requires reductions in spend in other areas of the business.
10. These new pressures have provided a significant challenge to ensuring that the 30-year HRA business plan does not fall into deficit. To ensure the long-term viability of the business plan the following changes have been made within the business plan:
 - Built in efficiency savings targets against housing management expenditure from 2025 and response and repairs expenditure from 2024, we will explore the nature of these efficiencies.
 - Commitment to review service charges during 2023/24, to ensure we are compliant with regulatory requirements
 - Other programmes of work have been reviewed to accommodate the new costs and enable capacity to deliver. This includes:
 - **What has slowed** – The laundry refurbishment programme has been extended by 6 years, resulting in the annual budget being reduced accordingly.
 - **What has stopped** – The planned refurbishment of garage sites will end, and the associated annual budget has been removed.
 - **What has slipped** – We have reviewed our major refurbishment programme over the next 10 years and have identified a number of cyclical projects that can be postponed to later years. This will assist with the Major Project team's capacity to deliver on the 10-year EPS cladding programme.
11. We have protected resident priorities identified in the 2022/23 budget consultation, baseline commitment provision excluding inflationary uplifts is:
 - £12.5m over the MTFP for a bathroom replacement programme
 - £8.7m over 5 years up to 2027 to improve standards in communal areas, blocks and estates, with £2.05m per year for the next 4 years
 - £80m to make homes more energy efficient and to reduce carbon emissions, through further wall insulation schemes and a programme of photo-voltaic (PV) panel installations. This will ensure all homes reach a minimum EPC of C by 2030
 - £453m in the MTFP to develop 1715 new homes over the next five years (see details in Appendix A3)
 - £1m for HRA park and play area refurbishment as approved by Cabinet on 04 Oct 2022.
12. There are new programmes for fire safety work, details of these can be found in Appendix A2. The total cost of fire safety works over the next ten years is now £96m – compared to the original £21m set aside for

additional investment in fire safety. In summary:

- EPS (expanded polystyrene) cladding removal - a programme has been developed to remove all EPS cladding over the next 10 years, costs are estimated at £46m.
- Waking watch - 24/7 fire safety patrols are in place at 36 blocks where there are concerns about the cladding (the figure has reduced from 38 as EPS cladding has now been removed from 2 blocks). Where interim measures are needed for longer, we plan to install fire alarms. On 6 December 2022, Cabinet considered the 'Additional resources for fire safety measures' report which set this out in further detail and approved £12.4m over the next 2 years for Waking Watch (please note that costs have been re-evaluated and reduced since that report was approved).
- Fire alarms - installing Simultaneous Evacuation Alarms in all flats affected acts as an interim measure, and as an alternative to waking watch. When the EPS cladding can be removed within the next 12 months, the plan is to have a Waking Watch presence until the EPS is removed. Where the works to remove the EPS is scheduled to take longer, we plan to replace the Waking Watch with an alarm system. A total cost of £8.7m is proposed for installing fire alarms across blocks where longer-term measures will be needed. This is a reduction from the total figure of £9.9m approved by Cabinet in Dec. 2022 due to the restructuring of the EPS cladding removal programme revising down the number of blocks requiring a full alarm system.
- Sprinklers – we are proposing a sprinkler installation programme across all 62 high-rise blocks and the proposed costs allow for the installation of these sprinklers over a 5-year period totalling £32.7m (may be subject to change depending on rates of inflation). Previous commitments from The HRA Budget 2019/20 identified spend to support a sprinkler programme. However, previously earmarked funds were insufficient to cover all high-rise blocks over the five-year MTFP and would have covered approximately 25 blocks. The latest plans therefore represent an acceleration of the previously planned sprinkler programme. This also will require an additional revenue budget to cover the annual costs of servicing and maintaining these sprinklers when installed equating to £23.7m over the 30 years. The annual cost for servicing and maintenance is £10k per block and the servicing and maintenance costs increase each year during the first 5 years as more sprinkler systems are installed. The cost from year 6 onwards is £620k per year excluding inflation once all sprinklers have been installed

13. Appendix A1 contains information regarding the 30-year business plan, including key assumptions used to forecast income and expenditure. The 30-year plan contains commitments of £2.1bn expenditure for the Housing Investment Plan and £2b for new build and acquisitions.

for forecasting. The capital programme in the model for Housing Investment Plan (HIP) expenditure (including 2022/23) totals £2.1 billion. New Build & Acquisition projected expenditure over the life of the business plan including 2022/23 is £2 billion.

14. Below is a summary of the headline figures for the 2023/24 budget and MTFP:

Revenue income

The HRA forecasts revenue income of £137m for 2023/24 comprised of:

- **£125.5m** rental income (net, after allowing for rent loss for empty properties)
- **£10.7m** service charges (based on current charges, plus an inflationary uplift)
- **£1.1m** non-dwelling rent (garages and commercial units).

The primary source of income is from rents and service charges. The average weekly rent for council homes is currently £84.82. The recommended increase for 2023/24 of 7% means average rents will rise to £90.76. For 66% of tenants this increase will be met through either fully or partially through benefits (housing benefit or universal credit).

Bristol City Council has submitted funding bids to Government, requesting support from grant funding provision for Social Housing Decarbonisation Fund (SHDF) and Building Safety works. Successful applicants will be notified of decisions regarding SHDF bids in March 2023.

Revenue expenditure

The highest priority for HRA expenditure is to ensure service provision for council tenants and leaseholders, this includes estates and housing services, and repairs, maintenance and improvements to council housing. The budget for 2023/24 will be:

- **£40m** for responsive repairs and maintenance, including compliance safety programmes
- **£35m** to deliver supervision and management functions
- **£16.m** delivering special services (e.g. caretaking, laundry provision, support to older people)

Capital Programme Expenditure

The 5-year Capital Programme consists of:

- **£408m** for the Housing Investment Programme to maintaining and improving the existing stock as set out in Appendix A2 Housing Investment Programme 2022/23.
- **£453m** to deliver 1715 new council homes
- **£4m** for Housing IT transformation and other sundry items

Attached are appendices that provide information regarding the budget, Housing Investment Plan and delivery programme:

- A1: The 2023/24 HRA budget and MTFP
- A2: Housing Investment Plan
- A3: Housing Delivery Programme
- Appendix E: Equalities Impact Assessment
- Appendix F: ECO Assessment

Cabinet Member / Officer Recommendations:

That Cabinet is asked to recommend the following proposals to full Council:

1. Agrees and recommends a rent increase of 7% effective from Monday 03 April 2023 to Full Council, applicable to HRA dwelling (general needs accommodation, supported housing and temporary accommodation).
2. Agrees and recommends the one-year revenue budget of £137.4m for 2023/24 set out in Appendix A1 to Full Council.
3. Agrees and recommends the five-year capital programme 2023/24–2027/28 as detailed in Appendix A1 to Full Council.
4. Authorise the Executive Director of Growth and Regeneration, in consultation with the Cabinet Member for Housing Delivery and Homes, to increase service charges (including district heating) and garage rents in line with inflation.
5. Note the key assumptions in the 30-year business plan and that the finance model is established within the agreed affordability principles summarised in Appendix A1, Table 4.

That Cabinet Agree:

6. Authorise the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homes and the Council's Section 151 Officer to submit appropriate funding applications (including Homes England grants for development) and if successful to:
 - accept funding and agree associated grant terms/conditions (additional consultation required with Legal Services); and
 - spend the funding by delivery of the projects (set out in appendices A2 and A3) via compliant procurement routes; and
 - use HRA investment plan funds and or reserves to match fund projects to maximise funding opportunities; and

- such authority to include decisions above £500K.
- Delegated decisions relating to funding applications and associated projects will be published (Officer Executive Decisions).

7. Authorises the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homes and the Council’s Section 151 Officer, subject to keeping within the approved overall HIP budget:

- a. To approve the priority of the procurement projects set out in Appendix A2, take all steps required to select the appropriate procurement route and to award the contract in line with the Councils procurement rules and regulations. Such authority to include decisions above £500K.
- b. to adjust and/or defer (from within the current year’s programme, including those set out in Appendix A2) any project(s) to fund the increased cost of any other project and/or to accommodate other changes in the programme subject to keeping within the approved overall budget. Delegated decisions to adjust or defer the programme will be published (Officer Executive Decisions).

8. Authorise the Executive Director Growth and Regeneration consultation with the Cabinet Member for Finance, Governance and Performance and the Cabinet Member for Housing Delivery and Homes and the Council’s Section 151 Officer to:

- a. Approve the priority of the procurement projects set out in Appendix A3 and take all steps required to procure and award contracts (including goods, works and professional services) during 2023/24 to deliver the HRA Development Programme capital investment plans detailed in Appendix A3 (notwithstanding those individual contracts may exceed the key decision threshold)
- b. agree the allocation of financial expenditure on schemes within the Programme and to authorise changes to the schemes as required to deliver the development proposals. Such authority to include decisions above £500k
- c. to determine the appropriate nature/mix of tenure appropriate for each scheme
- d. to identify and authorise suitable sites and properties for the programme, including both Council property and acquiring additional land or properties.
- e. Delegated decisions relating to development will be published (Officer Executive Decisions).

Corporate Strategy alignment:

Fair and inclusive:

- Management of council homes is pivotal in providing residents with safe warm, secure and affordable accommodation
- The HRA development programme will ensure the provision of over 2000 new affordable homes, helping alleviate the housing crisis and ensuring the provision of affordable homes across the city

Wellbeing

- Additional funding for energy efficiency and reducing carbon emissions supports the city’s response to the climate emergency and ambitious carbon reduction targets

City Benefits:

- a) Fourteen percent of housing in Bristol is owned and managed by Bristol City Council, therefore decisions about the HRA budget impact directly on a significant number of households, as well as contributing to delivery of objectives in the Council’s Corporate and Housing strategies.
- b) A total of £69.8m of HRA capital will be re-invested in the maintenance and investment programmes of our homes in 2023/24, helping to safeguard the value of HRA assets; positively impact on the well-being of residents; and ensuring health and safety obligations are complied with.

Consultation Details:

Internal consultation only:

- Workshops with Cabinet Member for Homes and Housing Delivery and Cabinet Member for Finance and Section 151 officer on 15 Dec 2022 and 03 Jan 2023
- Workshops with Cabinet Member for Homes and Housing Delivery and Section 151 officer on 21 Nov 2022 and 5 Dec 2022
- Cabinet Member briefing 13 Dec 2022

- EDM 19 Dec 2022
- Budget Scrutiny 09 Jan 2023

Background Documents:

Rent Standard (<https://www.gov.uk/government/publications/rent-standard>)

[HRA budget amendment 2022/23](#)

[Housing IT and Transformation programme – approval of Outline Business Case](#)

Revenue Cost	£137.4m	Source of Revenue Funding	Housing Revenue Account
Capital Cost	£865m	Source of Capital Funding	Grants, Prudential Borrowing, Capital Receipts & RCCO
One off cost <input type="checkbox"/>	Ongoing cost	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>
<input type="checkbox"/>			

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

This report seeks approval of next financial year HRA Revenue budget which includes authorising a dwelling rent increase of 7% for next financial year (2023/24), increasing services charges by CPI+1 and garage rents in-line with September 2022 CPI.

Cabinet is also asked to note the updated HRA Business Plan over the 30-year period from 2022/23. The Plan is based on a financial model which reflects assumptions for rents, service charge income and expenditure requirements over a 30-year period.

Rental income is the largest single budget within the HRA and is usually calculated in accordance with the national rent policy. However, due to the high level of inflation this year the Government went out to consultation to temporarily amend the CPI plus 1% policy in the autumn statement, announcing that rents would be capped at 7%.

The increase in dwelling rents is essential to ensure the continuing investment in high-quality housing service for our tenants. Failure to increase the rents by the statutory cap will have significant impact on income in the current year and in each year going forward. With an increase in rental income of 7% from dwellings, effective from April 2023, the HRA would generate £9.3m more in turnover in the financial year than is forecast to be achieved in 2022/23.

The level of service charges should be set to enable full recovery of the costs of providing the service. It is proposed that service charges are increased by 11.1% in line with CPI in September for 2023/24. The additional service charge income has been reflected in the draft budget position. It is also proposed that district heating is uplifted by 12% reflecting the current market prices.

The Authority is experiencing cost inflation of up to 20% for various services including utilities, materials and contractor costs. As shown in the 2023 HRA Business plan Bristol City Council will have to accommodate previously unplanned activities during 2023/24, arising from fire safety works (Waking Watch) and therefore a further drawdown from the HRA reserves of £6.5m will be necessary in 2023/24 to cover the net shortfall in activity cash flows.

The Council continues to monitor closely the impact of welfare reforms which is likely to have an impact on rent collection and therefore impact the overall HRA position. The levels of arrears and required level of bad debt provision will continue to be monitored, but the latest estimates show that due to proactive arrears management the forecast rent arrears are not increasing at the levels previously anticipated. The draft HRA budget assumes 1% increase in the provision for bad debts based on current performance.

This report also seeks approval of the Council 5-year HRA Capital programme (2023/24 to 2027/28) and proposes delegation of authority to the Executive Director of Growth and Regeneration in consultation with the Cabinet Member

for Housing Delivery and Homes to consider and approve the scope of all projects including the approval and rephrasing of capital budgets for individual schemes, within the overall £865m budget proposed in the report.

The proposed capital programme budget for new build developments (HRA 2) and the Housing Investment Plan (HIP) is £453m and £408m respectively over the 5-year period from 2023/24 - 2027/28. In addition, the Authority plans to invest approximately £4m in renewing its IT Infrastructure.

The 2023 HRA business plan seeks to resource as much council housing as is considered affordable based on the income and assumptions built into the financial model. The plan reflects significant expenditure on both new build and improvements in current stock over the 5 years that must be part funded by borrowing. This leaves recurring costs of servicing borrowing to be funded over the life of the business plan.

The report seeks approval from Cabinet to authorise the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homes and the Council's Section 151 Officer to submit appropriate funding applications (including Homes England grants for development) to finance the HRA capital programme. The HRA business plan seeks to fund capital expenditure by utilising all available capital receipts as the first call, then grant funding after that balances available within the Major Repairs Reserve.

It is prudent to set aside funds into specific HRA reserves to finance future HRA expenditure including capital financing, service improvements and risk exposure. The proposed 2023/24 budget assumes reserve draw down of £54.2, with £6.5m required to fund revenue expenditure and £47.7m to finance the 2023/24 proposed capital programme.

A prudent level of working balance, along with appropriate application of reserves, should be part of the overall budget. The approved minimum HRA balance for 2023/24 is £21m and is designed to cope with unpredictable circumstances which cannot be addressed by management or policy action within the year. An additional £5 million has been provided in the general reserves to reflect the current economic climate and risk exposure.

There are factors such as the unprecedented increases in energy prices, material costs and repair & maintenance contracts costs that would suggest any Government decision to set rents at less than CPI+1, will inevitably lead to significant risks to the sustainability of the HRA. Interest rate fluctuations are also among the major risks the HRA is facing and will need to be managed in the coming years. This can have a significant impact on revenue budgets, future borrowings, and the overall business plan.

The business plan has been refreshed during a period of significant financial uncertainty with inflation and interest rates currently at much higher levels than we have experienced in recent years. The 2023 HRA business plan is based on the assumptions set out in Appendix A1.

The 2023 HRA 30-year business plan will continue to be reviewed and refreshed annually allowing for horizon scanning & the identification and mitigation of risks in the short, medium & long term.

Finance Business Partner: Archa Campbell 16th January 2023

2. Legal Advice: The Council is required to maintain and review annually, a Housing Revenue Account in accordance with the provisions of the Local Government and Housing Act 1989 and directions issued thereunder. The report seeks endorsement of the proposed budget for approval by Full Council, including its proposed revenue and capital spending plans.

The report also seeks broad delegated authority for the Executive Director Growth & Regeneration to all necessary steps to implement those plans, across a range of activities, notwithstanding that any one of these may be a matter which would otherwise require specific cabinet approval by virtue of it exceeding the £500k key decision threshold. This authority is to include all procurement activities, (for all goods, works and services) necessary to deliver the Housing Investment Plan and Housing Delivery Programme, and authority to acquire property to meet the HDP

programme. To ensure the implementation of the plan and programme is lawful, all procurement and contracting activities must comply with the appropriate Procurement Regulations and the council's own procurement rules.

Legal Team Leader: Eric Andrews, 12 Jan 2023

3. Implications on IT: IT continue to support Housing in their digital transformation program and are fully engaged, insuring improvements to the service and potential savings.

IT Team Leader: Alex Simpson – Senior Solution Architect

4. HR Advice: There are no HR implications evident

HR Partner: Celia Williams, HRA Business Partner, 21 December 2022

EDM Sign-off	Stephen Peacock, Chief Executive	17 th January 2023
Cabinet Member sign-off	Cllr Craig Cheney, Cabinet Member for Finance, Governance and Performance and Councillor Tom Renhard, Cabinet Member Housing Delivery and Homes	17 th January 2023
For Key Decisions - Mayor's Office sign-off	Mayor's Office	17 th January 2023

Appendix A – Further essential background / detail on the proposal Appendix A1 - HRA Budget Appendix A2 – Housing Investment Plan Appendix A3 – Housing Delivery Programme	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	No
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO

HRA 2023/24 Budget Report and Update on 30-year Business Plan

1 Introduction and Context

- 1.1 The Housing Revenue Account (HRA) is a ring-fenced account, which contains the income and expenditure relating to the Council's landlord duties in respect of approximately 28,661 dwellings including those held by leaseholders.
- 1.2 The HRA budget is set each year in the context of the 30-year business plan. The Business Plan is a statutory requirement used to assess the ongoing financial viability of the HRA and its ability to deliver the Council's housing priorities.
- 1.3 The business plan assumptions are reviewed annually to determine whether any aspects of the strategy need to be revised, allowing for horizon scanning and the identification and mitigation of business risks in the short, medium, and long term. Sensitivity analysis is undertaken to ensure that effective contingency plans are considered and that appropriate reserves are maintained in light of any change in assumptions.
- 1.4 This report includes a proposal for the HRA rent setting for 2023/24, sets out the final proposed budgets for 2023/24 and provides an update to the refreshed HRA Business Plan, along with highlighting the key assumptions required to reflect national policies and financial impacts to the HRA.
- 1.5 The business plan projections reflect the income and expenditure required to manage the landlord functions and, at the same time, work towards the Council's objectives to investing in existing tenants' homes and creating capacity to fund the development of affordable homes for rent.
- 1.6 This report does not attempt to summarise all aspects of the HRA business plan but aims to highlight areas to be noted and options considered for future budget strategy.
- 1.7 The HRA business plan provides long-term financial forecasts resulting from the implications of the Council's spending, investment, and rent-setting decisions, based on the authority's current income, assumptions on how costs and income might change in the future to illustrate what the authority can reasonably expect to happen, using the best available information.

2 Rent Setting proposal for 2023/24

- 2.1 Income raised through tenants' rents and service charges is ring-fenced and cannot be used to fund expenditure outside of the HRA.

- 2.2 The proposal is to follow the current government guidelines announced in the autumn statement to facilitate the investment in stock and assumes that, this will apply to all Council-owned rented accommodation. Dwelling rents will therefore increase by 7% in 2023/24 with effect from April 2023.
- 2.3 The proposed average weekly rent for HRA socially rented tenancies in 2023/24 will be £90.76, compared to £84.82 in 2022/23.
- 2.4 Table 1 shows the proposed average rent levels for 2023/24. All new re-lets are charged at formula rent, which is reflected in the current average rent. A rent increase of 7% is estimated to result in an additional £9.3m of income when compared to the 2022/23 projected outturn.

Table 1: Average rents by bedroom size

No. of beds	Average rents 2022/23	7% 2023/24 Uplift	Average rents 2023/24
0	£64.96	£4.54	£69.50
1	£73.74	£5.16	£78.90
2	£82.14	£5.75	£87.89
3	£95.68	£6.70	£102.38
4	£103.05	£7.22	£110.27
5	£111.59	£7.81	£119.40
6	£119.41	£8.36	£127.77
Average Rent	£84.82	£5.94	£90.76

- 2.5 This additional resource is required to finance increased costs in the existing level of services, and to provide further mitigation against bad debt and tenants rent arrears. This will also allow the service to maintain its investment commitment to the HRA Capital Programme and ensure the Council complies with all of its statutory duties.

3 Service Charges and Other Costs for 2023/24

- 3.1 Tenant service charges are not affected by the rent setting policy or the 7% rent cap announced in the autumn statement. Service charges are expected to increase by 11.1% with effect from April 2023. The increase is based on September CPI figure plus 1%.
- 3.2 Leasehold service charges, in line with tenant service charges, are required to reflect the actual cost of the services incurred. This means service charges for leaseholders will be based on 2021/22 expenditure levels with the agreed inflationary increase. In line with Service Charge legislation, leaseholder accounts will be reconciled with the actual costs and leaseholders will be issued their actuals statement by September 2023, which will include a deficit or surplus depending on costs incurred within the financial year for

2021/2022. Delegation will be sought to issue the Actual statements by September 2023.

- 3.3 Garage rents are expected to increase by CPI (10.1% at the end of September 2022) with effect from April 2023.
- 3.4 District heating and communal energy are adjusted annually in line with the energy supplier inflation forecasts. The business plan model assumes an inflation uplift of circa.12% for 2023/24.
- 3.5 The business plan assumes a pay inflation uplift of 4% in year 1 (2023/24), reduced to 3% in year 2 and then 2.5% up to year 5. A small contingency is held for variations resulting in a budget increase requirement of circa £2m. The business plan assumes an appropriate contingency is retained to support contract uplifts that may be required in areas such as Repairs and Maintenance.

Special Services and Supervision and Management costs assume CPI increase of 10.1% (September 2022 CPI) in 2023/24.
- 3.6 The disparity between inflationary pressures and the Councils ability to raise rents accordingly, results in a deficit with the overall budget, and as a result, reductions in expenditure will need to be made.
- 3.7 Efficiency savings targets have been incorporated into the HRA business plan. A 3% efficiency target applied across management activities will result in a £0.9m budget reduction for 2024/25.
- 3.8 Depreciation provision is increasing at CPI throughout the model and is adjusted based on stock numbers. This does not represent movements in cash but is a transfer in the HRA from revenue to the Major Repairs Reserves to facilitate the financing of the capital programme.
- 3.9 A void rate of 1.2% has been modelled throughout the business plan based on current performance.
- 3.10 The ongoing impact of the global pandemic and the rising cost of living have increased the risk of the under-recovery of rents, which could lead to a rise in bad debts. The assumption in the model is 1% increase in the provision for bad debts based on current performance.

4 Proposed Revenue Budget 2023/24

- 4.1 The Council has a duty to develop a balanced HRA budget, for the next financial year the proposed budget is summarised in table 2 below.

Table 2 - Proposed 2023/24 HRA Budget

Table 2 - Proposed 2023/24 HRA Budget Income and Expenditure	2022-23 Budget £000	2022-23 P8 Forecast £000	2023-24 Proposed Budget £000	Movement £'000
Dwelling rents	(118,262)	(117,822)	(127,153)	(9,331)
Voids	1,253	1,421	1,637	216
Non-dwelling rents	(1,219)	(1,013)	(1,115)	(102)
Charges for services and facilities	(9,823)	(9,847)	(10,735)	(888)
Contributions towards expenditure	0	(50)	0	50
TOTAL INCOME	(128,051)	(127,311)	(137,365)	(10,054)
Repairs & Maintenance	37,214	35,564	40,058	4,494
Supervision & Management	32,021	32,444	34,953	2,509
Special Services	11,518	14,958	16,431	1,473
Rents, rates, taxes and other charges	595	793	851	58
Depreciation & impairment of non-current assets	30,357	31,067	31,258	191
Debt management	41	41	41	0
Movement in doubtful debt provision	1,774	1,773	1,370	(403)
TOTAL EXPENDITURE - CORE SERVICES	113,520	116,640	124,962	8,323
NET COST OF CORE HRA SERVICES	(14,530)	(10,671)	(12,403)	(1,732)
Interest and investment income		(170)	(457)	(287)
Net interest payable, pension costs and other non operational charges	11,043	11,441	11,374	(68)
Capital expenditure funded from revenue	3,487	0	0	0
(Surplus) / Deficit for the year on HRA services	0	600	(1,486)	(2,086)
Waking Watch	0	4,085	8,000	3,915
Draw down from reserve		(4,685)	(6,514)	(1,828)
NET	0	0	0	0

5 Capital Programme

- 5.1 The Capital Programme is spent on providing or improving assets, which include land, buildings, and equipment, and will be used in providing services for more than one financial year. The programme is funded through a combination of capital grants, capital receipts, reserves, contribution from revenue and borrowing.

- 5.2 In reviewing the overall HRA financial position, the Capital Programme was amended to ensure that any revenue implications from capital decisions were considered in building the revenue budget.
- 5.3 The 5-year HRA Capital programme includes a baseline New Development Programme for new council homes of £453 million. It also includes the Housing Investment Plan (HIP) totalling £408 million.
- 5.4 The total proposed HRA Capital Programme budget for 2023/24 – 2027/28 is at £865 million as shown in table 3.

Table 3 - HRA CAPITAL PROGRAMME

Ref	Descriptions	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
		£'000	£'000	£'000	£'000	£'000	£'000
HRA1	Planned Programme - Major Works	69,756	92,626	99,185	81,077	65,401	408,044
HRA2	New Build & Land Enabling	61,738	126,256	118,113	45,712	101,460	453,280
HRA3	HRA Infrastructure	1,789	1,302	478	0	0	3,568
	GROSS HRA CAPITAL	133,283	220,184	217,776	126,789	166,861	864,893
	CAPITAL FINANCING						
	Capital Receipts	(24,633)	(29,883)	(32,328)	(13,413)	(19,241)	(119,498)
	Capital Grants	(27,174)	(10,593)	(5,840)	(22,790)	(25,250)	(91,648)
	Prudential Borrowing	0	(136,505)	(127,466)	(50,089)	(79,416)	(393,476)
	Major Repair Allowance	(31,258)	(33,196)	(34,444)	(35,419)	(36,672)	(170,990)
	Other Contributions	(2,537)	0	0	0	0	(2,537)
	Reserve via Revenue Contributions	(47,681)	(10,007)	(17,698)	(5,077)	(6,282)	(86,745)
	TOTAL FINANCING	(133,283)	(220,184)	(217,776)	(126,789)	(166,861)	(864,893)
	NET HRA CAPITAL PROGRAMME	0	0	0	0	0	0

- 5.5 The HRA business plan seeks to fund capital expenditure by utilising all available receipts as the first call, then balances available within the Major Repairs Reserve (whilst observing a minimum balance of £10million). Available resources from the HRA itself (whilst maintaining a minimum balance of £21million) will next be called upon after which, any residual funding required will be via borrowing through increasing the HRA CFR.
- 5.6 New borrowing for both developments and acquisitions & investment in existing properties are set to repay via a charge to the HRA on the following basis:
- Development & Acquisition borrowing: 50-year repayment on an equal basis commencing from the year after the loan is drawn down
 - Investment in Existing Stock borrowing: 30-year repayment on an equal basis commencing the year after the loan is drawn down
- 5.7 Further details on the investment programme (HIP) and the New Build & Acquisition are set out in appendix 2 and 3 respectively.

6 HRA financing and reserves

- 6.1 In October 2018 the government announced the removal of the HRA borrowing cap. This was to enable local authorities to deliver more affordable homes.

- 6.2 Whilst there is no statutory requirement for a minimum repayment set-aside (unlike the general fund), £419 million has been allocated for repayment of new borrowing over the life of the business plan. Up until recently, it has not been necessary to borrow additionally to fund the HRA capital programme, but that position is no longer feasible because borrowing will increase significantly as building and fire safety and new build programmes ramp-up. The business plan assumes borrowing of £394 million between 2024/25 and 2027/8 as illustrated in the table 3 above.
- 6.3 The interest rate attributed to new borrowings is an average 4% over the first three years of the business plan before returning to long term Public Works Loan Board (PWLB) averages at 3.2% from year four of the plan. The inflationary cost impact of any capital works remains a significant risk to delivery at present, and this will be closely monitored.
- 6.4 The HRA operating reserve as of 31st March 2022 was £102 million. Currently, the business plan assumes a minimum operating reserve balance of £21 million, this represents three months of cashflow. An additional £5 million has been provided in the general reserves to reflect the current economic climate and risk exposure. The operating reserve is necessary to manage unexpected deficits, or for smoothing in-year budget pressures due to timing differences between the cost of building new homes and receiving rental income.
- 6.5 In addition to the need for the HRA to balance competing demands, such as investing in supply of new homes, fire safety, the current recession and cost of living crisis have further stressed the importance of maintaining an adequate level of reserves.

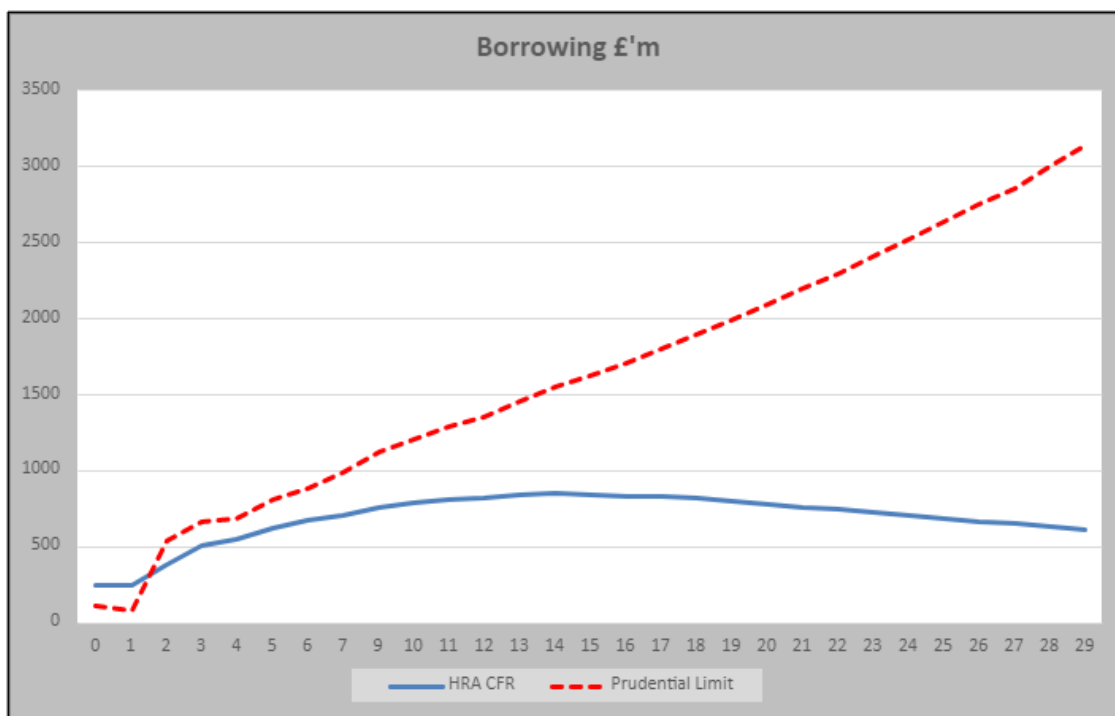
7 30- Year Business Plan

- 7.1 The Housing Revenue Account 30-year Business plan details how the Council uses tenants' rents, service charges, grants and borrowing to manage, maintain and develop properties.
- 7.2 The Plan was last revised in January 2022 and this report provides an update on the refreshed business plan, reflecting the delivery of the new build programme; current policy and finances (including the 7% cap on rent increases for 2023/24); increased borrowing costs & inflation. It also outlines the Council's continued ambitions to build more council homes, invest in improving the quality of current stock and improve energy efficiency.
- 7.3 The objectives of the 2023 HRA business plan are to show sustainability of the Council's existing homes, demonstrate the viability of the Authority's plans into the longer term and identify & source funding for investment in new developments.
- 7.4 The refreshed business plan encompasses projected income and expenditure, including continued investment in the stock (HIP) and the New

Build & Acquisition programme, providing assurance that the HRA will retain adequate cash balances and achieve viable surpluses over the 30-year lifetime of the business plan.

- 7.5 There is insufficient funding available for the proposed programmes without taking on additional debt. The refreshed 30-year business plan is projecting borrowing totalling £788 million over years 2 to 18 to deliver the new developments and additional investment in the existing stock. This is significantly higher than the existing debt (CFR) of £245 million.
- 7.6 The Council has set a limit for prudential borrowing (based on a minimum Interest Cover Ratio (ICR) of 1.25) whilst ensuring that minimum balances are held within the HRA & Major Repairs Reserve. Also, provision for the repayment of newly arising debt has modelled over the life of the plan and stipulates that new borrowing is not refinanced.
- 7.7 The ICR is set to a minimum which provides comfort that if there were a sudden drop in income or increase in operating costs, there would be sufficient headroom to continue to cover debt interest. The ICR in 2023/24 is 0.39 which indicates that for this year the borrowing is not affordable and therefore the Council is not proposing to borrow in that year and to utilise existing reserves.
- 7.8 The level of debt compared to the prudential limits (ensuring that the ICR does not fall below 1.25) is shown in the chart 1 below:

Chart 1

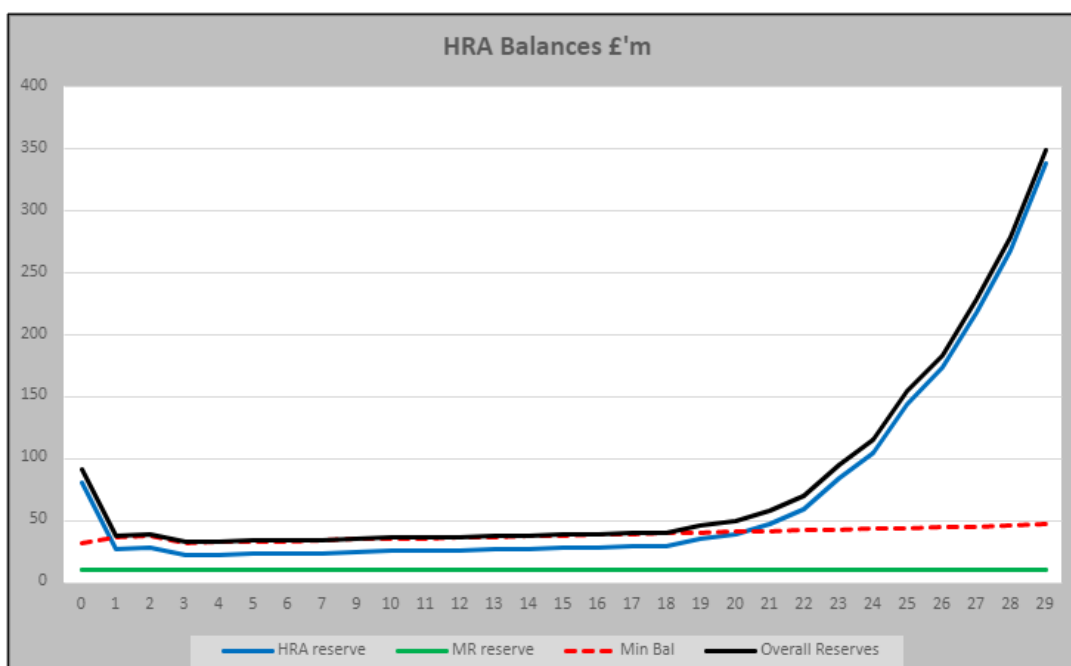


- 7.9 Chart 1 reflects the current loan portfolio and the additional borrowing with subsequent repayments. The gap between the blue line (current debt) and the

red line (borrowing limits) is effectively the borrowing headroom available. All new borrowing is being reduced year on year after the initial drawdown period.

- 7.10 In all years where the Council is borrowing the prudential limit is not exceeded, with the minimum headroom being £135m in year 4. Thereafter borrowing capacity increases.
- 7.11 This increased level of borrowing is considered affordable for the HRA and is dependent on what is sustainable under the current assumptions for the projected income and expenditure profiles. Should any projected assumptions such as inflation, interest rates, income or expenditure be less favourable than is currently modelled, proposals would need to be urgently sought to ensure the continued viability of the business plan.
- 7.12 Chart 2 below illustrates the accumulation of all the reserves that make up (black line) the projected balances. The core HRA reserve balance is maintained at the minimum balance of £21million (plus inflation) and increases to a projected balance of c£340million in 30 years, whilst the Major Repairs Reserve remains at £10million.

Chart 2



- 7.13 The chart represents a positive position in that debt repayment levels are achieved whilst keeping minimum balances and the HRA reserve begin to accrue above the minimum level from year 19 of the plan. This demonstrates that there is capacity within the plan to borrow or reconsider options in respect of debt repayment.

8 HRA Business Plan Model – Key Assumptions

8.1 The 2023 HRA Business Plan was recently refreshed to reflect the latest assumptions on inflation and income & expenditure budgets. The updated plan includes the proposed investment and capital resources for existing stock and new build developments.

8.2 A summary of the key assumptions that underpin the 30-year business plan is detailed in table 4 below:

Descriptions	Business Plan Target	Assumptions used in the Business Plan
Inflation	2%	2023/24 CPI is 10.1%, 5% in 2024/25 and 2% onwards.
Management Efficiency Savings	3% from Y2 (2024-25)	No efficiency applied in 2023/24. 3% efficiency savings generate £0.9m annually from 2024/25.
Optimism bias	N/A	2% optimism bias has been applied to the capital budget in 2023/24.
New Build and Acquisition	N/A	Estimated units to be delivered in 2023/24 of 138 and 1,715 over the MTFP period.
Minimum HRA balances	£21million	Minimum working balance assumed in the HRA Business Plan is £21million. This represents 3 months cash flow plus inflation. For the next two years up to 2024/25, an additional £5 million has been provided in the general reserves to reflect the current economic climate and risk exposure. The combined amount has been inflated by CPI for subsequent years.
Rental Income (Dwellings)	CPI+1	Model based on 7% increase in 2023/24. Rent increase of CPI plus 1% between 2024/25 and 2027/28. CPI only thereafter
Rental Income (non-dwellings)	CPI	CPI (10.1%) increase in 2023/24, 5% in 2024/25 and 2% onwards.
Void Rate	1.2%	Voids rate of 1.2% applied on Council dwellings throughout the Business Plan. This equates to £1.5m in 2023/24.
Pay award	2%	A provisional growth of circa £2m has been set aside for a potential salary inflation settlement of 4% plus a small contingency held for variations resulting in a budget increase requirement in 2023/24. The model assumes 3% in 2024/25 and 2.5% for the rest of the MTFP
Bad Debt Allowance	1.0%	Bad debt – 1% based on current trend applied to Council dwellings throughout the model. This equates to £1.3m in 2023/24.
Interest rate on borrowing	4.00%	The existing loans are currently all on fixed rate, fixed term basis and are not subject to interest rate risk. Additional borrowing is modelled on fixed interest rate that are set by the treasury team, based on the year the borrowing is incurred: 2022/23 - 4.25% 2023/24 - 4% 2024/25 - 4% 2025/26 - 3.6% thereafter 3.2%
Minimum Interest Cover Ratio (ICR)	1.25	The model is indicating an ICR of 0.39 for 2023/24, however, the requirement to meet the ICR target is only applicable in the year of borrowing. ICR target of 1.25 is met for the rest of the MTFP and the refreshed 2023 HRA plan.
HRA Debt Balance	N/A	The HRA CFR opening balance in 2022/23 was £245m. In the business plan borrowing is not required until year 2. The estimated debt position at the end of the MTFP is £620m.
Debt Repayment	N/A	No borrowing assumed in the business plan until year 2, therefore repayments starts in year 3. The total amount set aside for debt repayments included in the model for the MTFP period is £18m.
Right To Buy (RTB's)	N/A	RTB sales are modelled at average 100 units per year up to year 6, then 50 units per year thereafter
Major Repair Reserve (MRR)	£10m	Minimum working balance assumed in the HRA Business Plan is £10 million.

9 HRA Business Plan Sensitivities

9.1 The key sensitivities of the HRA are detailed below:

9.2 Rent increase

The Government has suspended the application of the Rent Standard of CPI + 1% (11.1%) which would have applied in 2023/24. At 7%, rental income is approximately £127.3 million whereas an 11.1% increase would yield £132 million. This is an annual loss of £4.7 million for 2023/24 and each subsequent year of the plan. CPI+1% rent increases are assumed to resume after the 2023/24 financial year. An uplift of 1% would generate additional income of £1.2 million annually.

9.3 Inflation

Price and material increases are having significant effect on costs and cashflows within the business plan, increasing the pressure on the HRA budget. Resources that should be used for the delivery of services and development of new build properties will now be allocated to cover materials and contract price increases. A small percentage increase in inflation will impact costs and borrowings and will also reduce the overall HRA borrowing headroom. An increase of 1% in 2023/24 capital expenditure will increase overall programme costs by £1.3 million and borrowing cost will increase annually by £0.05 million.

9.4 Interest rate on borrowings

Existing loans are all at fixed rates and not subject to interest rate risks. However, for every £1 million of additional borrowing from 2023/24 onwards, there would be an increase in interest payable of circa £42,500 per year. Currently, there are no borrowings anticipated for 2023/24.

9.5 HRA & MRR reserves balances

The core HRA reserve balance is maintained at the minimum of £21million (plus inflation) and increases to a projected balance of circa £123million in 30 years. Financing of the Council's capital expenditure is primarily via the Major Repairs Reserve, reducing the need to borrow to maintain the housing stock. An increase in expenditure or reduction in the rental income will directly impact the level of reserve balances at the end of the year.

10 Key Changes to the HRA Financial Model

10.1 HRA rent and other income

Rent increases are projected at CPI plus 1% up to 2027/28 (year 5), except in the next financial year (year 1) which is subject to an overall rent increase cap of 7% announced by the Government for 2023/24. The remaining years in the plan assume rent will increase at CPI only. Void rates of 1.2% and Bad Debt

provision of 1% have been modelled throughout the plan, based on current performance.

It is anticipated that rent increases will be affordable for tenants at this level, as 65% of them are in receipt of Universal Credit or housing benefits that will absorb the additional costs. Government announced in their Autumn statement that benefits will be uplifted in line with inflation for 2023/24. Tenants who receive no state assistance would see typical rent increases of approximately £24 per month.

10.2 Changes impacting on the HRA capital and other expenditure

Interest on borrowing is modelled at an average of 4% in the first three years of the plan before returning to long term Public Works Loan Board (PWLB) averages at 3.2% from year four of the plan.

Inflationary increases (CP1) in the business plan are now modelled at the elevated level of 10.1% in 2023/24, 5% in 2024/25, returning to medium-term target level of 2% from year 3 of the plan. This is to reflect the extraordinary levels of inflation being experienced in the wider economy.

10.3 HRA Capital Programme

The capital programme in the model for Housing Investment Plan (HIP) expenditure (including 2022/23) totals £2.1 billion. The business plan has increased the expenditure derived from the HIP to allow for inflation and a reduction in stock numbers.

New Build & Acquisition projected expenditure over the life of the business plan including 2022/23 is £2 billion.

11 National and local policies that can impact the HRA Business Plan

- 11.1 National housing policies and changes proposed by future Governments could have an adverse impact on the HRA business plan and could require additional resources to address any unexpected changes.
- 11.2 The HRA debt cap has been removed and significant borrowing may be required to invest in stock to increase housing supply in Bristol. The HRA is also exposed to interest rate fluctuations, which could have a significant impact on revenue budgets, future borrowings, and the overall business plan.
- 11.3 The government introduced a new policy (after the Welfare Reform Act 2016 ended) effective from April 2020, which allowed Local Authority Landlords and Registered Providers (housing associations) to increase rents by CPI plus 1%. This was modelled over 5 years from April 2020 and was intended to provide stability & certainty regarding planned investment in the current stock. It was also intended to ensure service improvements and new developments, at least in the short to medium term.
- 11.4 However due to the rapid rise of inflation within the context of the cost-of-living crisis, the government consulted on a temporary amendment to the rent

standard policy (CPI+1%) for 2023/24, with the outcome of up to 7% rent increase cap announced in the autumn statement. Rent increases in 2023/24 do not only affect the financial year in question, but they also impact future rent levels. A lower rent increase in 2023/24 means the base for rent increases in 2024/25 is also going to be lower and so on, for future years.

- 11.5 Increasing rents by only 7% for 2023/24 limits the capacity available to fund major works without the need to borrow in the long term. This eliminates the possibility for a borrowing strategy to be exclusively aimed towards new builds and housing supply. The Government regulated rent standard policy approach to be taken beyond April 2025 remains uncertain.
- 11.6 Factors such as the unprecedented increases in energy and material costs, repairs & maintenance contracts, mean any decision by the government to set rents at less than CPI+1, provides a significant risk to the sustainability of the HRA. The Council also needs to cover the inflationary pressures within the HRA whilst delivering its operational requirements and strategic priorities.
- 11.7 Variations in the rental income stream as a direct result of the current economic crisis and rising cost of living could increase the likelihood of non-collection of rents and may, consequently result in elevated levels of rent arrears and bad debt.
- 11.8 In May 2019, the UK government declared a climate change emergency, committing to target net zero carbon emissions by 2050. The Council has already made significant progress on its journey to reducing its own corporate carbon emissions.
- 11.9 Right to Buy (RTB) Sales continue to be relatively high due to the increase in discount levels introduced in April 2012. However, the recent increases in mortgage rates could lead to a reduction in sales and therefore fewer capital receipts to finance future programmes.
- 11.10 The Bank of England base rate was 0.25% at the start of 2022, since then interest rates have been increasing steadily from this historic low. This substantial increase in the cost of borrowing, coupled with rising construction costs from high inflation is making the viability of capital projects extremely challenging.
- 11.11 Appendix A1b below provides a summary of the 30-year HRA business plan risks.

Appendix A1b

Appendix A1b

HRA 30-YEAR BUSINESS PLAN RISK REGISTER

Item	Risk	Scenario description	Uncontrolled Risk	Controls	Controlled Risk
1	Interest Rates	Interest rates increase, faster than CPI linked to rental increases, leading to shortfall in the income required to service the council's debt. If it is not possible to refinance loans at a lower rate, and new borrowings are at the current high rates, the council would be forced to cut budgets and so reduce development, maintenance and services for residents.	Medium	The current HRA debt is structured over long-term loans from sources such as Public Works Loan Board (PWLB), which offers the best and most stable rates. All new borrowings will need to meet the affordability metric indicated in the business plan.	Medium
2	Rent Charges	A rent freeze or reduction reduces the income available to the council in the medium - and long term because of its cumulative, compounded effect. This forces the council to reduce development, maintenance and services to residents.	Medium	The rents for council properties continue to converge on the optimum value, as vacant properties are re-let at formula rent. The government announced a one-year rent increase cap of 7% for 2023/24 only and this cap is presumed to not apply beyond year 1 in the model where we revert back to CPI+1 up year the CPI for the remainder of the 30-year plan.	Medium
3	Cost of Inflation	BCC has seen cost inflation increasing above CPI of up to 20% for various services including utilities, materials and contractor costs. As rental increases is linked to CPI, the higher cost inflation on services have led to a shortfall of income that forces the Council to cut its management and capital budgets and so reduce maintenance and services for residents.	High	Cost inflation is profiled and accounted for against schemes of new development, the capital programme and in general across the service delivery model. Rents are designed to increase just above inflation, to allow a surplus of income that can absorb a level of above-inflation increases in cost. However, sharp increases due to external market and macroeconomic conditions may exceed this and may require reprofiling of the planned expenditure.	High
4	Bad Debt	Some tenants and leaseholders are unable or unwilling to pay the council. This could be because of changes to their employment or benefit status. Only some arrears are recoverable, others are bad debts and are written off. Widespread, non-recoverable arrears decrease income, causing the council to reduce development, maintenance and services to residents.	High	A level of bad debt provision is accounted for in the model, based on previous levels of defaults and write-offs. Rent and service charge arrears are handled pro-actively by the housing management service. However, welfare policy changes compounded by a difficult economy could impact significantly impact levels of arrears.	Medium
5	Void	Empty units provide no income for the council yet still incur costs to secure and maintain. An increase in the current voids, either due to greater numbers or longer time spent to re-let or repair, will decrease available income and so reduce development, maintenance and services for residents.	Medium	The rate at which tenants leave properties is consistent over time and the projected rate is built into the model. Void times are closely monitored with targets, so it is unlikely that voids will increase significantly, due to time spent in repairs or taken to re-let.	Medium
6	Right to Buy	Sale of council housing stock at a significant discount reduces rental income to the HRA, in proportion to the cost reduction from servicing and maintaining these properties, because of the economies of scale and fixed costs. Increased demand for RTB for market value or policy reasons can therefore compromise planned development, maintenance or service to residents.	Medium	Right To Buy (RTB) sales are consistent over time and an allowance for sales at the current projected levels is built in the model. It is unlikely there will be any significant increase in RTB sales, unless there is a significant policy change to increase the discount still further, or a widespread reduction in the value of council stock.	
7	Housing Market	A downturn in demand or widespread increase in supply reduces the ability to sell ownership products or let council properties to new tenants. This causes cash flow problems that hinder future development, as schemes depend on the sub-occupation of units to provide future funds and make them economical to service and maintain.	Medium	Given the trend over previous decades, a reduction in demand for housing in Bristol is unlikely. There is a backlog of demand for housing in the City with 19593 persons on the housing waiting list. Therefore, any reduction in the value of housing is likely to slow, but not halt the delivery of additional housing units over the lifetime of the business plan.	Low
8	Disaster	A disastrous major incident causes a significant portion of the council stock to fall into disrepair. Priority repairs and alternative accommodation for affected residents reduce available funds so that non-priority development, maintenance and general services for residents are scaled back, postponed or cancelled.	Medium	Compliance with safety standards is embedded throughout service delivery, construction of additional units and delivery of the capital maintenance programme. All reasonable steps are taken to minimise the risk of any potential incident. However, it remains a possibility that an adverse event could occur in the council housing stock. A reserve is set aside for this, which should be enough to deal with ad-hoc day-to-day contingencies, or any emergency other than a catastrophic major incident.	Low
9	Failure of contractor	The figures from the Royal Institute of Chartered Surveyors, published in May 2022, suggest that high material prices are now impeding activity for 84% of construction firms. The construction industry expects further price rises, with an average estimate of 12%-15% inflation over the next 12 months, increasing the likelihood of risk that contractors may not be able to complete or take on more work.	Medium	Effective contract and procurement management	Medium
10	Internal Capacity	Reduced capacity within operational and support services (legal, procurement) impacting the delivery of new homes and maintaining current stock to the required standard.	High	Effective management of resources and key work	Medium
11	Government policy changes	Impacts of national housing policies and any changes proposed in future Government papers can have an adverse impact on the HRA and could require additional resources to address any unexpected changes.	Medium	The Council will review and monitor the business plan to reflect any changes that the Government might announce.	Low

Appendix A2: Housing Investment Plan (HIP) – 2023/24

Introduction

This Appendix sets out the proposed capital and revenue baseline budgets for the maintenance and investment in our homes for 2023/24 and includes a view of the capital requirement over the following 4 years.

The repair and improvement of existing homes is planned using comprehensive house condition and energy performance data, building element lifecycles and accurate costings. This enables us to make assumptions around future investment requirements to meet the replacement dates and condition needs of our homes, which are held in the Housing Revenue Account (HRA) Business Plan (in the 30-year HIP)

The quality of tenants' homes is important, and this is reflected in the feedback from our tenants. We undertake more than 70,000 responsive repairs throughout the year to maintain standards in our homes. We are planning to replace and improve key building elements (roof, windows, etc.) to meet the Government's Decent Homes Standard, as well as focussing on tenants' priorities such as affordable warmth, kitchens and health and safety.

Investing in the current stock – challenges and opportunities

There are significant challenges in maintaining the current stock. There are 62 high rise blocks and over 450 low rise blocks, which are expensive to maintain. There are responsibilities to comply with such as:

- existing regulations including fire safety, asbestos, gas and electrical testing
- the Regulator of Social Housing consumer and homes standards
- new emerging responsibilities from the social housing white paper and changing building regulations.

This year there are significant inflationary uplifts in costs for materials and utilities, which means we will need to spend more just to deliver the existing levels of service. There has been some difficulty in the delivery of some programmes during the current financial year which will result in slippage and the reprofiling of works to 23/24. Furthermore, additional investment needs have been identified with regards to fire safety to ensure that residents are safe in their homes. It remains a priority to ensure our homes and blocks are safe and are maintained regularly to meet the decent homes standards and prevent reactive repairs. We have submitted a grant funding bid to the Social Housing Decarbonisation Fund (SHDF) to deliver energy efficiency works to some blocks and Easiform properties. These works will be managed by a combination of our own delivery teams and our City Leap partner – Ameresco.

Fire safety

This year we started a new inspection programme, following new regulatory requirements known as PAS9980. These inspections provide us with more comprehensive information about the cladding and external wall system as a whole and assesses risks against a new guidance structure. We have received final reports where the external wall system has been considered as part of the fire risk assessment (FRAEW) for three blocks in Bristol; Croydon House, Gilton House and Yeamans House, and all reports concluded that the presence of Expanded Polystyrene System (EPS) elevates the fire safety risk in the buildings.

The new PAS9980 appraisal process and FRAEW has changed the risk assessment of EPS on high rise buildings. Following the tragedy at Grenfell Towers in 2017, Aluminium Composite Material (ACM) cladding was the focus of attention from experts in the industry and was subject to the government's testing regime. At this time, BCC instigated independent checks on 27 high-rise blocks. As a result, there was a programme of works carried out to repair cladding, install missing fire breaks, increase ventilation, to

increase safety on some blocks. At that point, concern was not raised about the EPS cladding. However, the industry generally and fire safety experts are now considering the risks posted by other cladding types, as well as other components of the external wall systems, e.g., balcony design. Further, we have also had two fires in high rise blocks over the last few months – Twinnell House on 25th Sept. where the cladding was assessed as performing well, and Ecclestone House on 20th Oct. where the assessment was that the (EPS) cladding in the stairwell contributed to the spread of the fire.

The following additional programmes of work are now included in the 23/24 Housing Investment Plan. As result, of this urgent priority work, we have reprofiled the major projects refurbishment programme to ensure capacity to deliver these works and identified savings elsewhere in the investment plan as explained in the next section.

EPS (expanded polystyrene) cladding removal - A programme has been developed to remove all EPS cladding over the next 10 years. 13 blocks are either undergoing major refurbishment works or were due major refurbishment works in the next 4 years and therefore the costs are included in the major refurbishment works. A further 23 blocks with EPS cladding have been included in a programme over the next 10 years, which requires an additional £20m (excluding inflation) for EPS removal and replacement. Until the EPS cladding is removed or we receive specialist fire safety advice to the contrary the simultaneous evacuation policy will remain in place, supported by either a waking watch or an evacuation alarm.

Waking watch - 24/7 fire safety patrols are in place at 38 blocks (the figure has reduced from 38 as EPS cladding has now been removed from 2 blocks) where there are concerns about the cladding. We have had waking watch measures in place at four blocks in Barton Hill for some time (Barton House, Harwood House, Longlands House and Ashmead House). Following the fire at Ecclestone House we introduced waking watch measures at Ecclestone House because of concerns of how the fire spread. The approach was also extended to Phoenix and Beaufort due to the similar construction of the blocks, as well as the external wall system. Furthermore, Waking Watch has been introduced at Yeamans House, Broughton House, Croydon House and Gilton House due to PAS9980 reports that identified remedial actions are required to further improve the safety of the block. Where interim measures are needed for longer, we plan to install fire alarms. On 6th December, Cabinet considered the 'Additional resources for fire safety measures' report which set this out in further detail and approved £12.4m over the next 2 years for Waking Watch. Please note that Waking Watch budgets are not included in the HIP as these are covered separately under general management costs.

Fire alarms - Installing Simultaneous Evacuation Alarms in all flats affected could act as an interim measure, and as an alternative to waking watch. We are reviewing the options to agree the specific type of alarms. Broadly speaking, where we will be onsite and the EPS cladding can be removed within the next 12 months, the plan is to have a Waking Watch presence until the EPS is removed. Where the works to remove the EPS is scheduled to take longer, we plan to replace the Waking Watch with an alarm system. A total cost of £8.7m is proposed for installing fire alarms across blocks where longer-term measures will be needed.

Sprinklers – We are proposing a sprinkler installation programme across all 62 high-rise blocks and the proposed costs allow for the installation of these sprinklers over a 5-year period totalling £32.7m. This also will require an additional revenue budget to cover the annual costs of servicing and maintaining these sprinklers when installed equating to approx. £23.7m over the 30 years.

Changes to the baseline budgets to accommodate the new fire safety measure costs

Other programmes of work have been reviewed to accommodate the new costs and enable capacity to deliver. This includes:

What has slowed – The laundry refurbishment programme has been extended by 6 years, resulting in the annual budget being reduced accordingly. **What has stopped** – The planned refurbishment of garage sites will end, and the associated annual budget has been removed.

What has slipped – We have reviewed our major refurbishment programme over the next 10 years and have identified a number of cyclical projects that can be postponed to later years. This will assist with the Major Project team’s capacity to deliver on the 10-year EPS cladding programme.

Additional budgets agreed following the 2021 Big Housing conversation.

Following feedback received from residents and other stakeholders as part of the 2021 Big Housing Conversation, provision for additional investment (excluding inflation) was agreed in the following areas:

- **Energy efficiency and reducing carbon emissions:** an additional £80m to make homes more energy efficient and to reduce carbon emissions, through further wall insulation schemes and a programme of photo-voltaic (PV) panel installations. This will ensure all homes reach a minimum EPC of C by 2030.
- **Bathroom modernisation programme:** £12.5m for bathroom replacements over a 5-year period up to 2027.
- **Investing in communal areas, blocks, and estates:** A total of £8.7m over 5 years up to 2027 to improve standards in communal areas, blocks and estates, with £2.05m per year for the next 4 years.

These additional funds are included within the updated Housing Investment Plan. Further engagement has taken place with residents and colleagues during the course of 22/23 to understand their priorities with regards to blocks, communal areas and estates, and to identify how these funds should be allocated over the next 4 years. Further to this, the proposal is to allocate the £2.05m per year as follows:

- £190k to top up the existing £600k soft investment budgets (to deliver additional Neighbourhood Investment works – large scale projects to improve the look and feel of blocks, estates, and communal areas)
- £200k for blocks, estates and communal areas security measures
- £204k for waste facilities and recycling initiatives
- £180k for the Rapid Response service – a prompt repairs service to deal quickly with minor works, including broken paving and cutting back shrubs and bushes
- £120k for an Assisted Gardening service based on eligibility
- The remaining £1,157,724 is set aside for other identified areas of investment in communal areas, blocks and estates.

2023/24 budget summary

Our Housing Investment Plan is categorised into Capital and Revenue budgets. Capital budgets relate to planned replacement and improvements, such as kitchen and bathroom replacement, rewiring, windows and roof replacements, major refurbishment projects and the planned replacement of Mechanical & Electrical (M&E) services in blocks. Revenue budgets relate to the ongoing repairs and maintenance, and servicing requirements.

Capital / Revenue	2023/24 baseline budget
Capital	£69,756,160
Revenue	£39,969,517
Total	£109,756,677

The budgets referred to in the table above include additional options surrounding additional fire safety measures. The breakdown of all draft baseline budgets is shown in the spreadsheet at the end of this document.

Delivery & procurement

Much of the HIP is delivered via our in-house workforce or existing contracts and frameworks previously approved. Over the coming years some contracts will expire, or new contracts will need to be procured to deliver the works programmes arising from the agreed HIP. The table in the Procurement Schedule below provides a summary of the required main procurement activity during the year that requires approval.

The request is for Cabinet to delegate authority to the Executive Director of Growth & Regeneration, in consultation with the Cabinet Member for Housing Delivery and Homes to procure and award contracts during 2023/24, and in line with the Council's approval process and delegated levels of authority to deliver the investment plan. The reports for approval will include costs and timescales, and an Equalities Impact Assessment will be undertaken and included for each major procurement project.

Housing Investment Plan (HIP) – 2023/24 Cabinet report – Procurement Schedule

Procurements required to start over the next financial year for Cabinet approval and delegation of authority, in order to deliver the approved Housing Investment Plan.

Much of the Housing Investment Plan (HIP) is delivered via our in-house workforce or existing contracts and frameworks / projects previously approved. Over the coming year some contracts will expire, or new contracts will need to be procured to deliver the works programmes arising from the agreed HIP. The table below provides a summary of the significant required procurement activity (i.e., at or around £500K or more) during the year that requires approval as set out in the report recommendations. The HIP includes many smaller contracts where flexibility to move between programmes within the overall investment programme will still operate at the Executive Director's discretion in line with normal delegated authorities.

The estimated contract values given in the table are subject to the outcome of the relevant tendering process and therefore, at this stage, are indicative only, and with a view to help frame the scope of the overall HIP. Where the actual tendered prices are greater than the estimated value, and where there is no realistic scope to adjust the contract requirements and so reduce the price, the Executive Director seeks authority to adjust and/or defer (from anywhere in the current year's programme as set out in the table) other project(s) to fund the increased cost, subject always to keeping within the overall HIP budget.

In addition, due to circumstances outside the control of the Council, it may be necessary to add to, or substitute, projects within the programme as circumstances dictate, and authority is sought to accommodate this, again whilst keeping within the overall HIP budget.

The recommendation to Cabinet in the report is to delegate authority to the Executive Director in consultation with the Cabinet Member for Housing Delivery and Homes, subject always to keeping within the approved overall HIP budget,

1. to approve the prioritising of the procurement projects set out in the HIP, select the appropriate procurement route and to award the contracts, in line with the Council's procurement rules and regulations, and
2. to adjust and/or defer (from anywhere in the current year's HIP) other project(s) to fund the increased cost of any other project.

Principles of Housing Repairs and Maintenance procurement and delivery strategy

- Co-ordinating works that go together; and sequencing works to prevent waste and disruption
- Reviewing / standardising product and material specifications based on good practice, market engagement, resident engagement and lessons learned, - and to prevent maintenance costs (reducing spares on vans, van sizes, travelling to stores).
- strategic decision-making around supply and fit versus labour only contracts with materials purchased directly where this can bring savings and standardisation
- Strategic advantage optimised around when to use internal workforce alongside external contractors for the same works programmes.
- Maximise opportunities for social value contributions in line with the Social Value policy
- Maximise opportunities to utilise the City Leap partner once procured for energy efficiency works
- Adherence to the new sustainability policy and standards for energy efficient products
- Governance of our approach through Project Boards and the Planned Programme Portfolio Board, reports to Cabinet Member for Housing.

Value for money will be achieved by:

- Selecting appropriate procurement route to ensure competent contractors can apply and are selected, and the length of contract to ensure contractor commitment and a competitive price.
- Using fit for purpose contract documentation prepared with legal services.
- Involving residents in setting standards of customer care and in contractor selection process as an advisory panel on the larger contracts
- Nominated contract managers accountable for managing the quality and delivery of the contract once let, and engaging tenants in core group meetings.
- Select contractors who will have the resources and appropriately skilled workforce to undertake the works, supporting our aims of right first time and increasing customer satisfaction

Housing Investment Plan (HIP) – 2023/24

Procurements required to start over the next financial year for Cabinet approval and delegation of authority, in order to deliver the approved Housing Investment Plan.

<u>Programme / Project</u>	<u>Duration (where a range is included this will be informed by analysis of best route to market and best value)</u>	<u>Estimated Annual contract sum (PA) / or project sum, approval request for up to plus 10% with projects managed within the overall approved budget</u>	<u>Approach to Market</u>
Response Repairs contracts			
Damp Proofing & Timber Treatment of various homes across the housing stock	4 Years. This could include an additional 2 years. The 2 years will be in relation to carrying out a 24 month call off at the end of the framework/DPS or appropriate route.	£400,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £2,400,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Mould & Ventilation, various homes across the housing stock.	4 Years. This could include an additional 2 years. The 2 years will be in relation to carrying out a 24 month call off at the end of the framework/DPS or appropriate route.	£500,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £3,000,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Welding repairs to metal gates, railings, barriers to various homes across the housing stock.	4 Years. This could include an additional 2 years. The 2 years will be in relation to carrying out a 24 month call off at the end of the framework/DPS or appropriate route.	£50,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £300,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Specialist waste & garden clearance	4 Years. This could include an additional 2 years. The 2 years will be in relation to carrying out a 24 month call off at the end of the framework/DPS or appropriate route.	£250,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £1,500,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Specialist flooring contractors and suppliers for internal works, including Temporary Accommodation	4 Years. This could include an additional 2 years. The 2 years will be in relation to carrying out a 24 month call off at the end of the framework/DPS or appropriate route.	£250,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £1,500,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Fleet replacement of non-compliant vans & additional to cover until electric vehicle solution available, reducing existing hire costs & CAZ charges		£3.87m	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate
M&E contracts			
Laundry upgrades: Henacre, Playford Q2, Somerset House Q3, Hilton	Each laundry has a 16-week programme.	£270,000 estimated expenditure.	The route to market will be a preference of a call off from existing BCC frame work, but with other PCR compliant routes being adopted where considered to be appropriate.

<u>Programme / Project</u>	<u>Duration (where a range is included this will be informed by analysis of best route to market and best value)</u>	<u>Estimated Annual contract sum (PA) / or project sum, approval request for up to plus 10% with projects managed within the overall approved budget</u>	<u>Approach to Market</u>
Court, Mill House Q4			
Communal rewires: Barton House, Spencer & Norton, Ropewalk	Estimated contract duration of 12 months. 4 months per project	£1,500,000 estimated expenditure	The route to market will be determined following a market assessment / appraisal, with a preference for the use of suitable framework whether council or 3rd party.
Brunata meter replacement	Estimated contract duration of 3 Years	£1.7m estimated contract variation expenditure. £550k yr 1 £577,500 yr 2 £589,050 yr 3	This would be a variation to the existing contract.
Provision for sprinkler replacement for 6 blocks Sprinkler installation in tower blocks	Estimated contract duration of 12 months. Estimated contract duration 4 years	Total £2.6m Total £30.1m	The route to market will be determined following a survey including full procurement. Will be packaged together as one project. The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Lift refurbishments Spencer x2 Proctor x 2 Patterson x2	Estimated contract duration of 12 months	Total estimated value £1,300,000	Will be packaged together as one project. Procurement will start Q1
Door entry upgrades for fibre pilot, entrance door replacements	Estimated contract duration of 12 months	Total estimated value £80k	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Fire Alarm Testing	5 Years	£120,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 5 years is: £ 687,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Electrical Safety Testing	5 Years	£1,911,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 5 years is: £ 9,555,000.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Planned and Cyclical Programmes			
External & Communal Maintenance (Lot 3 Projects – call offs / mini tenders) Project addresses at present are – <i>1-3 Brentry Lodge, Freeling House, Aston House, Chatterton House, Plimsoll House, St Matthias House, Elton House, Elbridge House, Whitson House, Gloucester House, Somerset House, Wessex House, 1-48 Hillsborough Flats, 22-104 Maskelyn Ave Flats, Humberstan Walk flats,</i> Further project addresses may be added as a result of	Current framework has 3 years with 1 years extension, that runs until February 2024	£4,300,000 total estimated programme spend for coming year	Mini tenders using Lot 3 of the External & Communal Maintenance Framework to cover combined works that can include External Maintenance & Painting, Communal Maintenance & Painting, Replacement Windows & Replacement Roofs to deliver the 2022/23 External Maintenance Programme.

<u>Programme / Project</u>	<u>Duration (where a range is included this will be informed by analysis of best route to market and best value)</u>	<u>Estimated Annual contract sum (PA) / or project sum, approval request for up to plus 10% with projects managed within the overall approved budget</u>	<u>Approach to Market</u>
referrals or works within the External Maintenance Programme requiring combined works, and based on changing property condition			
External Maintenance, Communal Works, Major Refurbishment & Repairs Framework. To deliver the external / communal works (repairs / painting) programmes to approx. 2500-3000 properties per year across the city.	New 4 year (3+1) framework	The new framework total anticipated maximum expenditure based on 4 years, is: £40,000,000	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other PCR compliant routes being adopted where considered more appropriate.
Fire Safety Works Assessments & Independent Checks. This is part of the ongoing 12 year programme of Fire Safety works which started in 2012. This year is :- Vincent Cl, Robin Cl, Mercer Ct, Manor Farm, Bishopthorpe Rd, Butterfield Rd, Maskeleyne Ave, Kendon Dr, Oldbury Ct, Ettrick Dr, Gill Ave, Sheppard Rd, Lanaway Rd, Brambling Wk. Other blocks / addresses may be brought forward into the programme depending on condition information / inspection reports. Also to carry out further improvements to High Rise Blocks as identified by ongoing safety inspections that include Rawnsley, Croydon, Lansdown, Twinnell, Northfield, Brandon, Barwick, Sedgewick, Southbow, Whitmead, Winterstoke and any improvements to other blocks as identified by Fire Risk	Individual projects – call offs from current DPS in place for next 2 years	£2,125,000 total for this year's projects	The route to market preference is to call off from the existing Fire Safety Works DPS to deliver Fire Safety Improvements/compartmentation works for 2022/23 programme.
External Maintenance and Refurbishment High Rise Projects			

<u>Programme / Project</u>	<u>Duration (where a range is included this will be informed by analysis of best route to market and best value)</u>	<u>Estimated Annual contract sum (PA) / or project sum, approval request for up to plus 10% with projects managed within the overall approved budget</u>	<u>Approach to Market</u>
Francombe/Waring/Underdown – major refurbishment	3 years	Estimated £9,000,000 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Ashmead, Longlands and Harwood House – major refurbishment	Up to 4 years	Estimated £15,000,000 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Beaufort House – major refurbishment	2 years	Estimated £4,000,000 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Haviland, Jon Cozens, Tyndall, Langton, Charleton House	3 years	Estimated £13,000,000 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Barton House	3 years	Estimated £6,445,400 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Littlecross House	3 years	Estimated £6,700,000 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Proctor House roof replacement	1 year	Estimated 1,600,000 project cost (subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Broughton and Yeamans cladding replacement	1 year	£300,000	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Dove Street blocks	4/5 years	Estimated £17.7m project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Northfield House	18 months	Estimated £3,500,000 project cost. (Subject to survey and scope of works)	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for PCR compliant routes - such as Open Tenders or the use of suitable frameworks - whether Council or third party –being adopted where considered more appropriate.
Note - Other blocks may be substituted as priorities emerge, particularly blocks requiring cladding repairs in relation to fire safety, or when inspections reveal significant changes in block conditions			
Specialist Projects / Conversions			
Renewal of Communal Minor Works Framework (Neighbourhoods)	5 Years (4+1)	Estimated annual expenditure £652,500. The total anticipated maximum expenditure based on 5 years £3.3m.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other procurement compliant routes being adopted where considered more appropriate.

<u>Programme / Project</u>	<u>Duration (where a range is included this will be informed by analysis of best route to market and best value)</u>	<u>Estimated Annual contract sum (PA) / or project sum, approval request for up to plus 10% with projects managed within the overall approved budget</u>	<u>Approach to Market</u>
Renewal of Communal Minor Works Measured Term Environmental contract.	5 Years (4+1)	Estimated annual expenditure £137,500. The total anticipated maximum expenditure based on 5 years inc. inflation is £732,557.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other procurement compliant routes being adopted where considered more appropriate.
Renewal of Metal Works Railings & Repairs contract.	5 Years (3+1+1)	£120,000 per annum and overall cost for 5 years is £600,000 to cover for any unforeseen increases in material costs. Emergency cover as the supply market is so volatile at present.	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other procurement compliant routes being adopted where considered more appropriate.
Refurbishment of 4 blocks of low-rise flats at Vincent Close, Lawrence Weston (67 flats)	3 years	£7.8m	The route to market will be determined following a market assessment/appraisal, albeit (given their potential advantages) with a preference for the use of suitable frameworks - whether Council or third party - but with other procurement compliant routes being adopted where considered more appropriate.

CAPITAL

Planned & Cyclical						Budget Setting Notes
	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P13621-1006 - Planned Programme - Kitchen Contract	£5,296,000	£5,560,800	£5,672,016	£5,014,272	£5,114,558	Years 1 - 3 based on 800 kitchens years 1-3 @ £5,800, rewires (20%) at £4100 Year 4 onwards: Figures based on average replacement costs of £5000.and volumes due + rewires at 20% of kitchens due.
P13621-1007 - Planned Programme - Rewires Contract	£630,000	£793,800	£809,676	£1,543,917	£1,574,796	Year 1 based on 150 rewires at £4200 per unit Year 2 & 3 = 120 rewires and 60 referrals. Increase in referrals anticipated due to move to 5 year electrical testing Year 4 onwards: Figures are based on volumes at £4200 per unit + 30 referrals per year
P13621-1012 - Planned Programme - Roofs Replacement	£2,330,801	£2,691,361	£2,183,126	£2,226,789	£2,271,325	Year 1: 127 3 bed houses @ £9,800; 14 H/T Flats @ £10200 per pair, 50 referrals @ £9,800 (as per programme). Also includes carry over/slippage of schemes from previous year. Year 2 - 5: based on average of 208 roofs per year at unit rate of £9800 Years 6 - 30 based on KS due date volumes and £7,837 average replacement costs. Slippage from current year spread over Year 1 & Year 2.
P13621-1013 - Planned Windows - Houses & House Type Flats	£1,500,000	£3,394,230	£3,111,255	£2,315,930	£2,362,249	Year 1: based on programme and capacity. Year 2 - 5 based on 400 window replacements per year at average cost of £5,300, and allows for slippage. Year 6 - 30 based on KS due date volumes and £3583 average costs.
P13621-1016 - Cavity Wall & Insulation	£220,000	£231,000	£235,620	£0	£0	New 3 yr contract to deliver insulation in required properties, with works to begin in January. Budget up until and including 25/26 (year 3)
P13621-1018 - Fire Doors	£1,694,000	£1,778,700	£1,814,274	£0	£0	Year 1: £1,520,000 allows for 573 flat doors and 304 door sets with joinery shop based on costs of £880 and £780 respectively. in addition 15% inflation, joinery shop overtime, internal recharges (5% increase) and making good costs. Yr 2 and 3 based on current capacities and known costs.
P13621-1020 Mobility scooters	£100,000	£105,000	£107,100	£0	£0	To provide stores to blocks across the city.
	£11,770,801	£14,554,891	£13,933,067	£11,100,909	£11,322,927	

M&E / Heating						Budget Setting Notes
	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P13621 - 1021 - Planned Programmes - Bathroom replacement	£3,000,000	£3,150,000	£3,213,000	£3,277,260	£0	600 bathroom replacements per year at a cost of £5k per bathroom.
P13621-1002 - Heating Replacement	£2,120,000	£2,543,205	£2,540,198	£2,493,012	£2,906,235	Domestic heating gas boilers, heat pump and distribution system replacements
P13616-1004 - M&E Investment in Blocks - Laundries	£270,000	£252,000	£337,365	£262,181	£300,852	Laundry refurbishment programme based on average refurbishment costs.
Brunata Heat Unit Replacement	£550,000	£577,500	£589,050	£0	£0	New cost centre due to newly identified requirement to replace heat unit on a 10 year lifecycle to ensure billing system for Brunata works effectively. This programme to commence April 23.

Appendix A2 HIP

P13616-1002 - M&E Investment in Blocks - Communal Rewires & Electrical Works	£1,460,071	£2,113,125	£2,757,825	£2,873,731	£2,214,608	Year 1 - Hills Barton and Rusham to be completed - rewire including emergency lighting, TV trunking and mains upgrade. To complete ongoing programmes of work (Southbow, Whitemead and Gaywood and Gladstone Street). Years 2 - 5 based on increased replacement costs applied to volumes.
P13616-1003 - M&E Investment in Blocks - Door Entry	£80,000	£84,000	£85,680	£131,090	£443,479	23/24: £80,000 to cover replacement of doors, screens and equipment at Kingsley House. No door entry replacements due in 23/24. Budgets for subsequent years based on volumes due
P13616-1005 - M&E Investment in Blocks - Boiler & Plant	£230,000	£210,000	£214,200	£218,484	£167,140	Year 1 budget to allow for cold water tank replacements, BMS works, gas alarm upgrades and DSEAR remedials. No current boiler replacements anticipated. £30k increase as a result of works identified during risk assessment.
P13616-1006 - M&E Investment in Blocks - Lifts	£1,300,000	£1,260,000	£1,285,200	£1,310,904	£1,862,660	Year 1 budget allows for slippage from 22-23 to complete lifts at St Judes (Ropewalk, Gloucester House, John Cozens, Haviland, Charleton) which commenced in 22/23 + replacements at Spencer House, Proctor House and Patterson House. Year 5 onwards remain based on volumes due.
P13616-1048 - Night Storage Replacement	£1,384,152	£1,487,963	£1,376,539	£1,501,789	£1,458,381	Replacement of Night Storage Heaters as per programme. Programme revised to prioritise the SHDF properties. Allows for Year 1: 294, Year 2: 301, Year 3: 273, Year 4: 292; Year 5: 278
Fire Sprinklers installation programme	£2,604,000	£7,607,250	£8,231,706	£6,048,730	£8,205,472	New budget as part of fire safety works measures. Sprinkler installation programme to year 5.
Fire alarms installations	£8,700,000	£0	£0	£0	£0	New budget as part of fire safety measures - year 1 only
	£21,698,223	£19,285,043	£20,630,763	£18,117,180	£17,558,829	

Major Projects	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P13616-1012 - Blocks - Contingency	£100,000	£105,000	£107,100	£109,242	£111,427	This budget provides for internal recharges from response, any other emergency and ad-hoc works - e.g., emergency, non scheme sufficient. Non scheme specific & reactive.
P13621 - 1017 External Repairs - Subtotal (See Repairs page for individual costs)	£5,450,000	£913,500	£9,200,730	£12,235,972	£4,316,159	This is the Subtotal of all the individual block costs in the External Repairs page below.
Major Refurbishment Subtotal - (See next page for individual budgets)	£12,455,000	£28,245,000	£16,734,375	£10,514,543	£7,159,174	This is the Subtotal of all the individual block costs in the Major Refurb page below.
P13616-1038 - Blocks - Window Servicing	£100,000	£105,000	£107,100	£109,242	£111,427	Annual servicing of block windows on a 5 year rolling programme.
	£18,105,000	£29,368,500	£26,149,305	£22,968,999	£11,698,187	

MP - External Repairs		at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	
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Breakdown of projects under External Repairs headline cost	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	
Subtotal>	£5,450,000	£913,500	£9,200,730	£12,235,972	£4,316,159	
P13621 - 1017: External Major Repairs to Blocks	£1,700,000	£840,000	£0	£0	£0	Gilton House. Works in progress - commenced July 22. Scheduled to finish during 23/24. Additional budget as scope of works to now include re-strip and reclad.
	£1,000,000	£73,500	£0	£0	£0	Corbett House. Works in progress - year end forecast for 22/23: £2.2m. Contract award at £3.16m, forecast spend of £2.1 in 22/23. Budget for 23/24: £1m and provision for retention release in 24/25.
	£1,150,000	£0	£0	£0	£0	Roegate House. Works onsite, but slow down due to telecom issues delaying roof replacement during the current year and so budget allows for completion in 23/24.
	£1,600,000	£0	£0	£0	£0	Proctor House - costs for roof repairs work.
	£0	£0	£0	£1,845,765	£1,882,680	Butler House - Estimated cost to include Roof renewal, service all and replace 10% of windows, redec communal areas, replace AoV's, resurface carpark, replace external store / bin doors, refurb elec & gas sub-station.
	£0	£0	£1,874,444	£1,911,933	£0	Lansdowne, Pountney & Vining - Estimated cost likely to include painting, jet wash roof & patch repairs, AOV replacement from Mast climbers & head of stair ventilation Poutney & Vining: Service windows, paint and jet wash, roof minor repair patches, rub down and paint metalwork, jet wash floors. Includes EPS costs for removal and replacement programme.
	£0	£0	£1,417,548	£1,445,899	£0	Moorfields - This is an estimated cost based on visual inspection by Major Projects Includes EPS costs for removal and replacement
	£0	£0	£1,237,677	£1,262,430	£0	Croydon House - This is an estimated cost provided by Major Projects. Includes EPS costs for removal and replacement programme.
	£0	£0	£1,630,412	£1,663,020	£0	Rawnsley House - This is an estimated cost provided by Major Projects. Includes EPS costs for removal and replacement programme
	£0	£0	£2,061,488	£2,102,717	£0	Barlands & Brookridge House - based on cost assumptions - cyclical, scaffold, roof and windows. Barlands & Brookridge moved forwards in line with EPS removal and replacement programme and includes EPS costs.
	£0	£0	£0	£0	£440,637	Berchel House - based on long term assumptions - cyclical, scaffold & prelims
	£0	£0	£0	£1,005,463	£1,025,573	Holroyd House - based on long term assumptions - cyclical only, scaffold. Costs now include EPS removal and replacement programme
	£0	£0	£0	£0	£967,269	Twinnell House - based on long term assumptions - cyclical only - 25% of estimated cost, scaffold and prelims Will take place over 2 years. The costs include EPS removal as well as refurb.
£0	£0	£979,162	£998,745	£0	Castlegate House - EPS programme	

MP - Major Refurbishment		at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	
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Breakdown of projects under Major Refurbishment Headline cost	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
Subtotal>	£12,455,000	£28,245,000	£16,734,375	£10,514,543	£7,159,174	
P13616-1049 - Major Refurbishments - Silcox Road	£80,000	£0	£0	£0	£0	Project is due to complete by end of 2022. However approx. retention fig to be released in 2023 is £80K
P13616-1043 - Investment in blocks - Walwyn Gardens	£1,000,000	£1,890,000	£0	£0	£0	Refurbishment works due to take place over the next 2 years following options appraisal. Tender required and work should start 23/24.
P13616-1045 - Barton Hill refurbishments (Ashmead, Longlands & Harwood)	£1,000,000	£4,331,250	£4,417,875	£4,506,233	£2,702,101	Barton Hill blocks – Ashmead, Longlands, Harwood – refurbishment works, strip and reclad.
Barton House	£200,000	£3,675,000	£2,570,400	£0	£0	Subject to further investigations and a separate options report. Refurbishment works to follow over the next 3 years
P13616-1047 - Major Refurbishments - Ecclestone & Phoenix	£3,600,000	£0	£0	£0	£0	Ongoing works due to complete in 22/23. Forecast £4.2m during 22/23.
P13616-1046 - Major Refurbishments - Bishopport 5	£3,000,000	£3,150,000	£0	£0	£0	Major refurbishment works in progress and due to continue over next 2 years.
P13616-1035 - Ropewalk House	£600,000	£2,520,000	£1,178,100	£0	£0	Refurbishment works will be procured until the new year and unlikely to be on site until the spring/summer.
Francombe, Underdown and Waring	£500,000	£3,675,000	£3,748,500	£1,638,630	£0	Investment decision being appraised. Full refurbishment estimate to take place over 4 years.
Northfield House	£1,000,000	£2,100,000	£0	£0	£0	Ongoing major refurbishment works at Northfield House.
Beaufort House	£1,000,000	£2,625,000	£535,500	£2,102,717	£0	Full refurbishment and full strip and reclad of cladding.
Major refurbishment - Dove Street (seven blocks)	£400,000	£4,200,000	£4,284,000	£4,369,680	£4,457,074	Following option appraisal, major refurbishment works are to take place over a 9 year period.
New budget code - Yeaman & Broughton	£75,000	£78,750	£0	£0	£0	EPS replacement works

SHDF	at 5%					Budget Setting Notes
	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	
SHDF works	£2,211,466	£7,572,039	£8,782,200	£1,638,630	£0	Social Housing Decarbonisation Fund works. Budget allows for potential works at 100 Easiforms, London Road, Ledbury Road, JCH, Haviland, Carlton, Langton and Tyndall and Littlecross House.
	£2,211,466	£7,572,039	£8,782,200	£1,638,630	£0	

Accessible Homes	at 5%					Budget Setting Notes
	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
**P13615-1001 - Adaptations	£3,000,000	£3,150,000	£2,677,500	£2,731,050	£2,785,671	Installation of Major & Minor Adaptations
	£3,000,000	£3,150,000	£2,677,500	£2,731,050	£2,785,671	

Repairs & Maintenance

	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P13614-1004 - Kitchens - Relets	£1,900,000	£1,995,000	£2,034,900	£2,075,598	£2,117,110	Kitchens replaced at relet
P13614-1005 - Rewires - Relets	£1,017,000	£1,067,850	£1,089,207	£1,110,991	£1,133,211	Rewires completed at relet
P13614-1006 - Bathrooms - Relets	£1,200,000	£1,260,000	£1,285,200	£1,310,904	£1,337,122	Bathrooms replaced at relet
	£4,117,000	£4,322,850	£4,409,307	£4,497,493	£4,587,443	

Asset Management & Review	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P15258-1002 - Structural Investigations	£100,000	£0	£0	£0	£0	£100k reallocated for 23/24 as unable to spend during 22/23.
P15541-1002 - Energy Efficiency	£0	£0	£8,495,627	£10,924,200	£11,142,684	Energy efficiency projects agreed following the Big Housing Conversation. Budget for years 1 - 3 reduced in line with the allocation from SHDF
	£100,000	£0	£8,495,627	£10,924,200	£11,142,684	

Specialist Projects Team	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P15312-1001 - Extensions & Conversions to Voids	£300,000	£315,000	£321,300	£327,726	£0	Increase budget provision to allow for conversions to 4 beds, and foster care extension schemes.
P13614-1001 - Acquireds	£300,000	£315,000	£321,300	£327,726	£334,281	Works to Acquired properties at Relet - reactive budget addressing structural issues predominantly.
P13614-1002 - Structural Works to HRA Properties	£600,000	£630,000	£642,600	£655,452	£668,561	Reactive Structural Works budget. Existing budget allocation maintained.
P13619-1008 - Environmental Improvement	£137,500	£144,375	£147,263	£150,208	£153,212	Small scale works to improve the appearance of blocks, communal areas and estates.
P13619-1007 - Neighbourhood Investment	£462,500	£485,625	£495,338	£505,244	£515,349	Large scale works to improve the appearance of blocks, communal areas and estates. An additional £190k will be allocated to top up for years 1 - 4 from the 'Additional Investment in blocks, communal areas and estates' fund.
P13621 - 1019 - Retrofit Pilot Projects	£400,000	£0	£0	£0	£0	Budget for retrofit pilots. These pilots allow for bringing valuable learning in developing our net zero carbon strategy. Year 1 budget allows for around 8 properties in 23/24 + additional £100k to allow for slippage of numbers expected to be delivered in 22/23.
Vincent Close Major Refurbishments	£500,000	£3,622,500	£3,694,950	£0	£0	Investment option agreed following Option Appraisal. Surveys will identify the full scope of works and costs. Work to be phased over 3 years with minimal expenditure in year 1 to allow for the procurement and mobilisation of contracts. Includes works to 4 blocks, includes full refurb - roof replacement, cladding, windows, fire doors and internal decs.
	£2,700,000	£5,512,500	£5,622,750	£1,966,356	£1,671,403	

Other						
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	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
P13618-1003 - Disposal Costs	£75,000	£78,750	£80,325	£81,932	£83,570	Budget covers telecom consultant fees and service charges plus valuation reports where specialist advice is needed.
P15258-1001 - Planned - Asbestos Management	£100,000	£105,000	£107,100	£109,242	£111,427	Budget allows for new asbestos surveys for low/medium rise blocks, encapsulation work and re inspections that were previously undertaken by Building Control but from January 23 will now need to be undertaken by external contractors.
Parks & Play Area Refurbishment	£1,000,000	£0	£0	£0	£0	New allocation for refurbishment work
	£1,175,000	£183,750	£187,425	£191,174	£194,997	

Additional Investment in blocks		at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Budget Setting Notes
	Year 1 - 2023 to 2024	Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	
Security improvements to blocks, communal areas & estates.	£200,000	£210,000	£214,200	£218,484	£0	Part of the £2.05m per year additional investment funding. Agreed following consultation.
Waste and Recycling facilities	£204,000	£214,200	£218,484	£222,854	£0	Part of the £2.05m per year additional investment funding. Agreed following consultation.
Neighbourhood Investment works additional 'top up' budget	£190,000	£199,500	£203,490	£207,560	£0	Part of the £2.05m per year additional investment funding. Agreed following consultation.
Investment in blocks remaining Capital allocation	£1,157,724	£1,215,610	£1,239,922	£1,264,721	£0	Remaining Capital allocation - excludes £300k Revenue allocation for Rapid Response and Assisted Gardens services.
	£1,751,724	£1,839,310	£1,876,096	£1,913,618	£0	

Salaries		Year 2 - 2024 to 2025	Year 3 - 2025 to 2026	Year 4 - 2026 to 2027	Year 5 - 2027 to 2028	Budget Setting Notes
	Year 1 - 2023 to 2024					
Works	£	at 5%	at 5%+2%	at 5%+2%+2%	at 5%+2%+2%	Notes
**P13612-1001 - Staffing Allocation - Planned Programme	£4,000,000	£6,430,303	£6,006,386	£4,604,090	£4,006,996	Staffing allocation for planned programmes. Year 2 onwards is 8% of all planned capital programmes.
P13613-1002 - Staffing Allocation - Disabled Facilities	£387,242	£406,604	£414,736	£423,031	£431,492	HRA funds for Accessible Homes staff.
	£4,387,242	£6,836,907	£6,421,123	£5,027,121	£4,438,488	

Optimism bias	-£1,260,296	£0	£0	£0	£0	Calculation applied to allow for unforeseen delays & slippage across capital budgets
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£69,756,160 £92,625,791 £99,185,163 £81,076,731 £65,400,628

Revenue

Planned & Cyclical	
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	Year 1 - 2023 to 2024	Budget Setting Notes
Works	£	Notes
10080 - External Maintenance & Painting - Low Rise	£4,266,200	Year 1 based on 2449 properties: 981 flats / bungalows and 1468 houses at 226 internal decs. Slippage of 311 walk up flats from 22/23. Year 2 - 5 average of 2300 properties - 1600 houses and 600 dwellings low rise.
10081 - Communal Maintenance & Painting	£350,000	Budget aligns to fire door replacements programme for year 1. Costs vary for flats with internal walkways and external balconies. 350k is for Year 1 is based on fire door replacement programme and whether they are internal or external walkways. Years 2 - 4 maintained at £225k as will be realigned with external maintenance and painting.
10082 - Fire Safety Works	£2,125,000	Year 1 budget requested is £2.125m. £1.2m for low rise work packages and revisits on high rise = £845k. The extension to the programme is due to delays caused by COVID, loss of surveyor from team, the increasing scope of the works to be done, current restricted resources (surveyors & contractors) to carry out the work.
	£6,741,200	

	Year 1 - 2023 to 2024	Budget Setting Notes
M&E / Heating		
Works	£	Notes
10079 - Gas Servicing	£1,941,750	Servicing of domestic gas boilers.
10084 - Electrical Safety Testing	£1,473,250	Electrical testing and remedials. Reflects change from 10 year testing to 5 years.
10066 - Heat Management	£940,647	Heat management contract.
10067 - Electrical Maintenance	£783,060	This budget covers lighting maintenance, (10k), laundry spares and maintenance and some workforce costs (570k) Salary increase will be applied once agreed
10069 - Lifts	£430,000	Lift maintenance contract
10070 - Central Call	£42,000	£42,000 from new contract procured. Known contract costs.
10071 - Door Entry	£75,000	Annual contract cost. Known costs.
10077 - TV Aerials	£70,000	Known contract costs
15237 - Brunata Maintenance	£40,000	Known contract costs
10091 - M&E Response Repairs - General	£300,000	Reactive works budget.
10072 - Fire Equipment	£15,000	Known corporate contract costs
10087 - Fire Alarm Testing	£120,000	Fire alarm testing and smoke vent maintenance - Known costs as per contract.
Fire sprinkler servicing and maintenance	£10,000	To include servicing and maintenance of the sprinklers installed as part of maintenance programme, based on 5 year sprinkler installation programme.
	£6,240,707	

	Year 1 - 2023 to 2024	Budget Setting Notes
Repairs & Maintenance		
Works	£	Notes
10099 - Response Repairs	£14,352,980	Responsive repairs budgets
10097 - Relets Repairs	£10,769,390	Budget to cover repairs required when reletting properties.
	£25,122,370	

Other		
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	Year 1 - 2023 to 2024	Budget Setting Notes
Works	£	Notes
10009 - Caretaking Repairs	£41,000	Minor works to sites to assist the caretaking service.
10001 - Disabled Adaptations Repairs	£700,000	Repairs to existing adaptations
14493 - Council Stair Lift Repairs	£220,000	Contract in place for stairlift maintenance.
10002 & 10005 Combined - Estate Management	£280,000	10002 = Internal tree contract 10005 = EM Repairs - Reactive costs to support estate management activity, e.g. clearances, fencing, deep cleaning, day to day emergencies / vulnerability
Building Safety Works	£616,000	New budget for Building Safety Bill.
15645 - Rapid Response	£180,000	Rapid Response repairs service provision (part of the additional investment funds for blocks, communal areas and estates)
Assisted Gardening	£120,000	New assisted gardens scheme as part of the additional investment for blocks, communal areas and estates.
	£2,157,000	

	Year 1 - 2023 to 2024	Budget Setting Notes
Charges	£	Notes
10078 - Charges - Construction procurement	£120,000	Salary costs for procurement support.
10090 - Charges - Leaseholder income	-£411,760	Leasehold estimated income for 22/23 based on 21/22 outturn Inflated by CPI
	-£291,760	

£39,969,517

1. General

This report sets out details of the HRA Delivery Programme, and associated budget requirements over the 2022-28 Medium Term Financial Plan.

Bristol City Council is committed to doing all it can to tackle the housing crisis and is beginning to build again at a scale not seen for decades and has a comprehensive development programme.

In October 2018, the government announced the removal of the HRA debt cap, which gave councils the ability to increase borrowing to develop more affordable homes. However, developments are not a short-term approach and take many years to achieve the required outcomes, so the programme is a rolling programme, with spend identified for particular elements of a development across the multiple years.

The HRA development programme's capital is funded from borrowing (supplemented with Right to Buy receipts (which can provide up to 40% of the development cost on a new home) or Homes England Affordable Housing Grant (which can provide funded at around 30% of the development costs of a new home, with each scheme individually negotiated with Homes England). The borrowing requirements and the cost of that borrowing are set out within the legal parameters to provide a balanced budget for the HRA.

Since the development programme started in 2013, over 350 new homes have been built, including the 108 expected to be completed in 2022/23. The Development Programme approved in 2022 committed to delivering over 2000 new homes over the life of the 2022-27 MTFP, and over 2000 new council homes in total by 2030. The new 5-year programme 2023-2028 commits to the provision of 1715 new homes, which now reflects the escalating cost of development and competing priorities within the HRA, with a commitment to build additional homes over the life of the 30-year business plan. These new homes will be delivered through various approaches:

- 'Land-led' schemes (using council land to bring forward new development directly managed by the Housing Delivery team);
- 'Developer-led' schemes (e.g., purchase of homes from developers, such as Goram Homes and other S106 Acquisitions from Registered Providers and overseen by the Housing Delivery team); and
- Acquisitions for property conversions, estate regeneration and/or meanwhile use (eg demountable Modern Method Construction (MMC) housing for shorter term land use).

The proposed development programme will mean the HRA will make an important contribution to the Council's affordable housing delivery plan *Project 1000* and beyond.

An annual refresh of the Development Programme has been undertaken, to reflect changes to the development market (escalating costs and inflationary issues, supply issues of Materials and a labour shortage within the construction industry), pressures within the HRA business plan (as reported in appendix 1) and a new priority of increasing the provision of affordable Temporary Accommodation in order to reduce pressures on the General Fund budget, has put pressure on the overall HRA Business plan with 2023/24.

Timelines have been reviewed, in order to prioritise new opportunities and to keep expenditure within agreed budget and borrowing parameters. This does not affect the overall target within Project 1000 for

2023/24 and does not affect the political commitment over the longer term of the Business Plan. This means that the HRA is committed to building a total of 1715 homes over the 2023-2028 MTFP on a rolling programme of which:

- 139 anticipated to complete in 2023/24
- a further 476 homes completed in 2024/25
- 580 in 2025/26
- plus 320 are anticipated to complete by 2026/27
- a further 200 will be delivered in 2027/28, and the programme continues beyond for the remaining of the 30-year Business Plan.

We continue to prioritise good quality design and will seek to improve the sustainability of new council homes as we work towards making Bristol a net-zero carbon city. Good quality design will improve the experience of those occupying new affordable homes, and sustainability requirements will need to ensure that we develop in a way that reflects the climate emergency. This approach will of course bring challenges in terms of increased development costs and achieving scheme viability.

Some of the proposed schemes or homes will support the city's ambition to provide new supported homes for vulnerable rough sleepers (Rough Sleepers Accommodation Programme (RSAP) funded schemes) and Temporary Accommodation (TA) proposals

2. Programme Overview

To date we have progressed the Development Programme, with both the developer led and land led schemes now under construction with 108 homes expected to be completed during 2022/23 bring the total number of new homes since the development team was created to over 350.

During the last 12 months we have commenced work on site at St Peter's House site in Manor Farm and at 3 sites in Lawrence Weston. We will commence work in early 2023 at sites in Henbury and Lockleaze as well as continuing to acquire homes as they complete at Romney House, Lockleaze, Cedar House, Frenchay and Hengrove Bookends, alongside the first homes dedicated to the provision of Temporary Accommodation (in support of the wider General Fund TA cost avoidance programme)

In addition, we have already obtained planning consents at various sites in Knowle West, Lockleaze, Stockwood, Henbury and Bedminster. We are working on a further 14 sites to getting through the planning process and into construction.

We are also working alongside Goram Homes to develop opportunities to acquire future homes, from them and are currently working with them to deliver significant numbers of new homes in Hengrove

As indicated above, we are also fast track developments on several new HRA sites and to enhance our conversion programme to deliver homes to support the TA cost avoidance programme. The budget being approved sets out funding requirements for this additional programme. The TA cost avoidance programme will focus on 3 strands of work:

- acquisition of assets from the general fund that are due for disposal, that could be leased under license appropriated for viable conversion for use as TA;

- optimising the existing new build programme to work strategically with Housing Options on the new build's 20% homelessness pathway provision to identify how older HRA assets can be released for immediate TA under license and or permanent accommodation: and
- developing a number of small sites (grey field/brownfield), which will include 'meanwhile use'. (Demountable MMC housing for shorter term land use) This means temporary use of sites awaiting development, that can be relocated and used elsewhere at a later date.

The budget and approvals sought in this Cabinet report will provide a framework to shape and deliver the HRA development programme with the aim of maximising the development potential at pace to deliver new homes for the city

There is considerable work being done on the schemes identified new project and further sites for future development. However, the list therefore remains indicative with decisions on schemes approved under delegation as each one comes forward.

All projects will be subject to a full financial appraisal, which includes a Net Present value (NPV) assessment and will be supported using Right to Buy receipts (RTB) and/or Homes England Affordable Housing grant. Each scheme will be subject to approval by the Executive Director, Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homes, the Cabinet Member for Finance and the Section 151 officer. The evaluation will have regard to the Council Capital Strategy.

The proposed developments will be primarily aimed towards creating mixed and balanced communities including Social Rented homes. Each scheme will be subject to a viability assessment (NPV) to ensure financial viability. Other forms of tenure will include other forms of Affordable Housing such as Shared Ownership, Affordable Rent, or Market Sale, and will be considered on a scheme-by-scheme basis. We will also assess the possibilities of providing other forms of access to affordable homes such as an essential local worker criterion (also referred to as Key Worker) in liaison with City Council key partners.

The nature of housing development requires a level of flexibility essential to respond to changes in the market. As such a single delegated development budget is the quickest and most effective route to seamless delivery with a total overall budget in the 5-year MTFP of £453.3m for 1715 new homes. The budget is made up of various strands as set out in the tables below

Delegated approval is given to the Executive Director, Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homes, the Cabinet Member for Finance and the Section 151 officer. to bring forward each scheme identified with any major changes between the delivery routes requiring approval form the Executive Director, Growth and Regeneration.

The main programme assumptions are as follows:

Build Cost	£270k/unit (gross) for new build. This is including the pre-construction design costs
Grant (Homes England) if sought	£100k/unit for social rent. £55k/unit for shared ownership.
RTB Receipts to be used	Current Parameters are set at RTB at 40% being used against each scheme for social rent
Shared Ownership	Assumed an average of 40% share equity purchased. Rent set at between 1.5% and 2% of unsold equity.

The proposed programme will require a range of procured works and services including construction and professional consultants (Architects, Cost Consultants, clerk of works, contractors, developers, and specialist services etc) to deliver the projects throughout the various stages of the development process. This report provides the approval authority to enter these contracts following the council's procurement and financial regulations.

We will continue to challenge site preparation and building costs through effective planning, procurement, and contract management.

3. Proposed development projects (all subject to change through the life of the development process)

The tables below provide details of the schemes identified to date and the various proposed delivery routes. Later schemes are liable to change as they progress through the development process, and new sites may be identified.

a) Contractually committed schemes £82.9m

Project name	Social rent units	Shared Ownership units	total	Completed 2022/23	Anticipated completion 2023/24	Anticipated completion 2024/25	Anticipated completion 2025/26
Lawrence Weston PRC sites, Lawrence Weston	57	0	57			57	
Brunel Ford, Lockleaze	32	0	32			32	
St Peters EPH, Manor Farm	28	0	28		28		
Brentry EPH, Brentry	34	0	34			34	
Airport Rd, Knowle	55	24	79	79			
Romney house, Lockleaze	94	53	147		7	56	84
Brooks Dye (Phase 1), Montpelier	24	0	24	24			
Cedar House, Frenchay	25	0	25		25		
HRA New Build Acquisitions (RSAP) Various wards	15	0	15	5	10		
Conversions (Phase 1), Various wards	16	0	16		16		

Romney Ave, Lockleaze	12	0	12		12		
Hengrove Bookends, Hengrove	27	26	53			53	
	419	103	522	108	98	232	84

b) Current schemes to complete between 2023/24 and 24/25 - £31m

Project name	Social Rent Units	Shared Ownership Units	total	Anticipated completion 2023/24	Anticipated completion 2024/25	Anticipated completion 2025/26
New Kingsland, Henbury	16	0	16		16	
Marshall Walk, Inns court	12	0	12	12		
Bell Close, Manor Farm	9	0	9	9		
96-98 West St, Bedminster	7	0	7		7	
New Street, Old Market	6	0	6		6	
Proposed sites for TA cost avoidance programme, Various Wards	70	0	70	20	30	20
Climate Smart Cities Challenge, Various Wards	20	0	20		20	
	140	0	140	41	79	20

c) Developer led schemes currently agreed - £95m (a further £49m from year 5 onwards)

Project name	Social rent units	Shared Ownership Units	Total	Anticipated completion 2023/24	Anticipated completion 2024/25	Anticipated completion 2025/26	Anticipated completion 2026/27
Hengrove year 1 – 5, Hengrove	180	120	300		165	60	75
Hengrove Affordable later phases year 6 – 10, Hengrove	365	0	365				
Baltic Wharf, City Centre	46	16	62				62
Dovercourt	53	17	70				70
	544	253	797	0	165	60	207

d) schemes anticipated to complete between 2025 and 2027 £127.6m

Project name	Social rented Units	Shared Ownership Units	Total	Anticipated completion 2025/26	Anticipated completion 2026/27
Leinster Ave, Knowle West	55	16	71	71	
Branwhite, Lockleaze	30	10	48	48	
Greville, Stockwood	26	0	26	26	
Filwood Cinema, Filwood Broadway	20	10	30	30	
Kingswear, Knowle West	28	6	34	34	
Coombe, Westbury	16	0	16	16	
Wotton Rd, St Annes	7	0	7	7	
Lanercost, Southmead	25	10	35	35	
Cameron Centre , Lockleaze	24	10	34	34	
Sea Mills Community centre, Sea Mills	15	0	15	15	
Deering, Lawrence Weston	21	10	31		31
Molesworth, Bishopsworth	5	0	5	5	
Redfield Crescent, Bishopsworth	12	0	12	12	
Latimer close, Brislington	19	0	19		19
Whitehall/Embleton, Southmead	20	0	20	20	
Peterson Sq, Hartcliffe	30	0	30		30
Freshways , Lawrence Weston	19	0	19	19	
Craydon, Stockwood	7	0	7	7	
Filwood Broadway phase 2, Filwood	20	0	20		20
	407	72	479	379	100

e) Further schemes as identified to be delivered within the plan – £116.8m

Project name	Social rent units	Shared Ownership units	Total	Anticipated completion 2025/26	Anticipated completion 2026/27	Anticipated completion 2027 and beyond
Future Estate Regeneration development projects	25	0	25	12	13	
ANO sites (Formerly New Fosseway non ECH – TBC)	30	0	30			30
Future Pipeline development - ANO sites (minus TA cost avoidance Sites)	75	0	75	25		50
New sites to be identified as part of the rolling programme				TBC	TBC	TBC
	130	0	130	37	13	80



Title: 2023/24 HRA Budget Proposal.	
<input type="checkbox"/> Policy <input checked="" type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input type="checkbox"/> New <input checked="" type="checkbox"/> Already exists / review <input type="checkbox"/> Changing
Directorate: Housing and Landlord Services	Lead Officer name: Sarah Spicer
Service Area: Business Innovation	Lead Officer role: Business Innovation Manager

Step 1: What do we want to do?

The purpose of an Equality Impact Assessment is to assist decision makers in understanding the impact of proposals as part of their duties under the Equality Act 2010. Detailed guidance to support completion can be found here [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#).

This assessment should be started at the beginning of the process by someone with a good knowledge of the proposal and service area, and sufficient influence over the proposal. It is good practice to take a team approach to completing the equality impact assessment. Please contact the [Equality and Inclusion Team](#) early for advice and feedback.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Describe who it is aimed at and the intended aims / outcomes. Where known also summarise the key actions you plan to undertake. Please use plain English, avoiding jargon and acronyms. Equality Impact Assessments are viewed by a wide range of people including decision-makers and the wider public.

Objective

To support the recommendations/proposals for:

- The 2023/24 Housing Revenue Account (HRA) budget
- The 2023/24 Housing Investment Plan
- The 2023/24 Housing Delivery Programme
- The 5-year capital programme (medium-term financial plan)
- Increasing the supply of affordable homes
- The procurement of relevant contractors to support delivery of these programmes, and delegate the authority to the Executive Director of Growth and Regeneration, in consultation with the Cabinet Member for Housing Delivery and Homes, to appoint relevant contractors

Background to the Proposal

Housing and Landlord Services (H&LS) 30 year Business Plan and Budget focusses on:

- repairing, maintaining and improving the existing BCC council housing stock;
- this includes new proposals relating to the provision of new fire safety measures
- providing services for council tenants and leaseholders;
- and increasing the provision of new affordable council homes

The HRA operates in a difficult housing market and environment. The cost-of-living crisis is affecting our residents, and the cost of providing services, repairing and maintaining homes and building new homes. Levels of homelessness and rough sleeping are increasing, along with the number of households in temporary accommodation. Many tenants struggle to maintain their tenancies and access the support they require.

There are city ambitions for housing, that include increasing the supply of affordable housing and tackling the climate emergency and reducing carbon emissions.

The main source of HRA income is the rent and service paid by council tenants and leaseholders. From 2020 there was a new rent standard that will allow social landlords to increase rent levels by up to CPI +1%. However, the Government has set a rent cap of 7% for 2023/24 for social landlords.

1.2 Who will the proposal have the potential to affect?

<input checked="" type="checkbox"/> Bristol City Council workforce	<input checked="" type="checkbox"/> Service users	<input checked="" type="checkbox"/> The wider community
<input checked="" type="checkbox"/> Commissioned services	<input checked="" type="checkbox"/> City partners / Stakeholder organisations	
The proposal will affect everyone from residents as it will affect the service they receive, the workforce responsible for delivering the service, the wider community who are dependent on accessing council housing when needed and other partners who provide additional supporting services or who are contracted to deliver a service on behalf of Housing & Landlord Services		

1.3 Will the proposal have an equality impact?

Could the proposal affect access levels of representation or participation in a service, or does it have the potential to change e.g. quality of life: health, education, or standard of living etc.?

If 'No' explain why you are sure there will be no equality impact, then skip steps 2-4 and request review by Equality and Inclusion Team.

If 'Yes' complete the rest of this assessment, or if you plan to complete the assessment at a later stage please state this clearly here and request review by the Equality and Inclusion Team.

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	[please select]
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Impact

The key principles for the 2023/24 budget and medium-term financial plan are:

- Rents and service charges increase by 7%.
- Repair & Investment of existing homes: Continue to ensure our homes are decent; warm, weathertight, modern and safe remain key priorities.
- Retain the 2022/23 priorities and commitments to improve standards in individual homes, communal areas, blocks and estates. Including:
 - Energy efficiency and reducing carbon emissions: additional £80m to make homes more energy efficient and to reduce carbon emissions. This will enable us to ensure all homes reach a minimum EPC of C by 2030.
 - Bathroom modernisation programme: £12.5m to commence a five-year bathroom replacement programme that will deliver over 5000 modern new bathrooms in council homes by 2027.
 - Investing in communal areas, blocks, and estates: £10m over 5-years, to improve standards in communal areas, blocks and estates. Further work will be undertaken to determine how best to utilise this.
 - For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
- New Homes: commitment to provide new affordable homes to meet housing need, and address homelessness and rough sleeping.
- New priorities to invest £xm in fire safety measures this includes waking watch, evacuation alarms, the removal of EPS cladding and a sprinkler programme.

Procurement of Contractors

The report requests approval for delegated authority to procure contractors as necessary to support the delivery of proposed expenditure (including the Housing Investment Plan and New Build & Acquisition programme). This is a positive impact for the council and our tenants, as this proposal aims to make the procurement of contractors more efficient, meaning work programmes can be started earlier without the need for further approvals which can add additional costs to the budget.

Step 2: What information do we have?

2.1 What data or evidence is there which tells us who is, or could be affected?

Please use this section to demonstrate an understanding of who could be affected by the proposal. Include general population data where appropriate, and information about people who will be affected with particular reference to protected and other relevant characteristics: <https://www.bristol.gov.uk/people-communities/measuring-equalities-success>.

Use one row for each evidence source and say which characteristic(s) it relates to. You can include a mix of qualitative and quantitative data e.g. from national or local research, available data or previous consultations and engagement activities.

Outline whether there is any over or under representation of equality groups within relevant services - don't forget to benchmark to the local population where appropriate. Links to available data and reports are here [Data, statistics and intelligence \(sharepoint.com\)](#). See also: [Bristol Open Data \(Quality of Life, Census etc.\)](#); [Joint Strategic Needs Assessment \(JSNA\)](#); [Ward Statistical Profiles](#).

For workforce / management of change proposals you will need to look at the diversity of the affected teams using available evidence such as [HR Analytics: Power BI Reports \(sharepoint.com\)](#) which shows the diversity profile of council teams and service areas. Identify any over or under-representation compared with Bristol economically active citizens for different characteristics. Additional sources of useful workforce evidence include the [Employee Staff Survey Report](#) and [Stress Risk Assessment Form](#)

Data / Evidence Source [Include a reference where known]	Summary of what this tells us
<p>Demographic of tenants: H&LS has 33,557 tenants living in 27, 095* properties. It is estimated that in total H&LS houses over 60,000 people. In addition, there are 2,358 leaseholders leasing 1,810 properties. (This is all HRA homes except for those sold to leaseholders; therefore it includes those let under secure tenancies, introductory tenancies, licences or temporary accommodation etc).</p>	<p>The ethnicity of 85.6% of tenants is known, of those: 72% are White British (reduction from 73.4% in April 2021)</p> <p>23% are of Black, Asian or Minority Ethnicity, of which the largest groups are Black Africans and African Somalis (25% and 19% respectively of the 23%) and 5% are White Other.</p> <p>A higher proportion of our tenants are female (60.05%) and male (37.82%).</p> <p>The age of 94.24% of tenants is known; of these the most common age bands is 45-54 year olds (19.70%) and 55-64 years (19.84%). 21.8% of our tenants are aged over 65, and 2.16% under 25.</p> <p>28.24% of our tenants have told us that they are Disabled people. 12.04% of our tenants report a long-term illness, 12.51% experience mental or emotional distress and 10.61% of our tenants report mobility problems.</p> <p>When compared to the Bristol population as a whole the differences include: older people, aged 65+, make up 13% of Bristol's population compared to 21.8% of BCC tenants, and women</p>

	<p>make up 50% of Bristol's population compared to 60.5% of BCC tenants.</p>
<p>Rent Arrears: Overall, 22.4% of tenants have rent arrears over £250. This is slightly lower than last year.</p>	<p>27.4% of tenants from Black, Asian or Minority Ethnic backgrounds have rent arrears over £250, compared to 21.5% of White British tenants and 18.84% of White Other tenants.</p> <p>23.67% of female tenants are in arrears over £250 compared to 20.09% of male tenants.</p> <p>Younger tenants are at higher risk of arrears than older tenants. 42% of under 25's are in arrears over £250, 8.09% of tenants aged 65-74 are.</p> <p>Disabled tenants are less likely to be in arrears with 17.06% having rent arrears over £250.</p>
<p>Response Repairs: In the year 1st November 2021- 31st October 2022 145,253 response repairs were completed after being requested by a tenant, an average of 7.01 per tenant.</p>	<p>Middle-aged tenants were most likely to request repairs with an average of 35-44 21.07% & 45-54 21.47% and compared with over 65 which was 21% and 34 and below at 16.25%.</p> <p>White British tenants have 62.86% of repairs compared with 27.28% of Black, Asian and minority ethnic tenants.</p>
<p><u>Bristol One City: Cost of Living Crisis – Bristol's One City approach to supporting citizens and communities (Oct 2022)</u></p> <p><u>Cost of Living Risk Index (arccgis.com)</u></p>	<p>The rising cost of living is not impacting on everyone equally. People who are already experiencing inequity and poverty will be disproportionately impacted:</p> <ul style="list-style-type: none"> • People on the lowest incomes - will have less available income but also pay more for the same services. For example, people unable to pay their bills by Direct Debit and those borrowing money are subject to higher costs and interest rates. This is what anti-poverty campaign group Fair by Design has referred to as a Poverty Premium • Households with pre-payment energy meters - households with pre-payment meters often pay above-average costs for their fuel. They will face a significant rise in their monthly bills in autumn and winter with increased energy usage as they do not benefit from the "smoothing" effect of Direct Debits, which spread usage costs evenly across the year • Parents and young families – parents of young children are more likely to seek credit and alternative support as they are less able, on average, to afford an unexpected expense. Single parents will be disproportionately affected; and one in four single parents find it difficult to manage financially (28.6%). • Disabled people – just under half of all people in poverty in the UK are Disabled people or someone living with a Disabled person. Disabled people have higher living costs, and tend to pay more for their heating, travel, food/diet, prescription payments, and specialist equipment. It is estimated that UK households that include Disabled children pay on average £600 more for their energy bills than an average household • Black and Minoritised people – A higher proportion of Black and Minoritised ethnic groups reported finding it

difficult to manage financially (14.9%) in 2021. In 2020 the Social Metrics Commission found that almost half of people living in a family in the UK where the head of the household is Black are in poverty. Age UK report that poverty among older Black and minoritised ethnic groups is twice as high as for white pensioners

- **People in rented accommodation** – it is estimated that 69% of low-income private renters in England will be forced to go without food and heating at least one day per week to meet rising housing and living cost. Almost three in ten homes in Bristol are privately rented
- **Underserved populations** - It is likely that populations that are not typically well represented in data and research are likely to also face increased risk from rising cost of living. For example, refugees and asylum seekers, people experiencing homelessness, and Gypsy/Roma/Traveller groups.

Cost of Living Risk Index (October 2022) identified Lawrence Hill, Hartcliffe & Withywood, Filwood, Lockleaze, Ashley, Southmead, Easton, Avonmouth & Lawrence Weston, Hillfields and Eastville as neighbourhoods in Bristol more at risk of the impact of the cost of living crisis.

Bristol Quality of Life Survey 2021-22

The Quality of Life (QoL) survey is an annual randomised sample survey of the Bristol population, mailed to 33,000 households (with online & paper options), and some additional targeting to boost numbers from low responding groups. In brief, the most recent QoL survey indicated that inequality and deprivation continue to affect people’s experience in almost every element measured by the survey.

The Quality of Life 2021/22 data dashboard highlights those indicators, wards and equality and demographic groups which are better or worse than the Bristol average.

For example there are significant disparities based on people’s characteristics and circumstances in the extent to which they find it difficult to manage financially:

Quality of Life Indicator	% who find it difficult to manage financially
16 to 24 years	12.5
50 years and older	6.7
65 years and older	3.2
Female	8.6
Male	8.5
Disabled	21.6
Asian /Asian British	9.9
Black/Black British	19.8

	Mixed/Multiple Ethnicity	16.3
	White British	7.8
	White Minority Ethnic	8.4
	Lesbian Gay or Bisexual	12.7
	No Religion or Faith	8.0
	Christian Religion	8.3
	Other Religions	18.2
	Carer	10.7
	Full Time Carer	14.0
	Part Time Carer	9.7
	Single Parent	28.6
	Two Parent	9.6
	Parent (all)	12.0
	No Qualifications	10.0
	Non-Degree Qualified	12.9
	Degree Qualified	6.7
	Rented (Council)	20.3
	Rented (HA)	20.6
	Rented (Private)	14.6
	Owner Occupier	4.6
	Most Deprived 10%	18.8
	Bristol Average	8.7
Additional comments:		

2.2 Do you currently monitor relevant activity by the following protected characteristics?

<input checked="" type="checkbox"/> Age	<input checked="" type="checkbox"/> Disability	<input type="checkbox"/> Gender Reassignment
<input type="checkbox"/> Marriage and Civil Partnership	<input type="checkbox"/> Pregnancy/Maternity	<input checked="" type="checkbox"/> Race
<input type="checkbox"/> Religion or Belief	<input checked="" type="checkbox"/> Sex	<input type="checkbox"/> Sexual Orientation

2.3 Are there any gaps in the evidence base?

Where there are gaps in the evidence, or you don't have enough information about some equality groups, include an equality action to find out in section 4.2 below. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. If you are unable to fill in the gaps, then state this clearly with a justification.

For workforce related proposals all relevant characteristics may not be included in HR diversity reporting (e.g. pregnancy/maternity). For smaller teams diversity data may be redacted. A high proportion of not known/not disclosed may require an action to address under-reporting.

There are some gaps in diversity data relating to customer satisfaction levels, but work is ongoing to address this.

2.4 How have you involved communities and groups that could be affected?

You will nearly always need to involve and consult with internal and external stakeholders during your assessment. The extent of the engagement will depend on the nature of the proposal or change. This should usually include individuals and groups representing different relevant protected characteristics. Please include details of any completed engagement and consultation and how representative this had been of Bristol's diverse communities. See <https://www.bristol.gov.uk/people-communities/equalities-groups>.

Include the main findings of any engagement and consultation in Section 2.1 above.

If you are managing a workforce change process or restructure please refer to [Managing change or restructure \(sharepoint.com\)](#) for advice on consulting with employees etc. Relevant stakeholders for engagement about workforce changes may include e.g. staff-led groups and trades unions as well as affected staff.

In 2021 we launched a consultation open to all Bristol residents and council employees to seek their view on how to fund additional investments within a 30 year business plan, the first year of this plan informed the budget for 22/23. The consultation was open for six weeks.

We had responses from 1,471 people and approximately 60% were tenants in one of our properties. Participants could either use an online simulator tool which provided a realistic simulation of the budget decisions we need to make or take part in a survey that was available online, by telephone survey and by post.

The above results will inform decision making for this internal review of the HRA budget proposals.

2.5 How will engagement with stakeholders continue?

Explain how you will continue to engage with stakeholders throughout the course of planning and delivery. Please describe where more engagement and consultation is required and set out how you intend to undertake it. Include any targeted work to seek the views of under-represented groups. If you do not intend to undertake it, please set out your justification. You can ask the Equality and Inclusion Team for help in targeting particular groups.

We will create a communication plan, utilising accessible forms of communication, to advise tenants of the rent decision. We will continue to signpost and refer tenants for debt and financial support.

There is currently a Housing Management Board that includes council tenant representation on it to ensure strategic engagement in the work of housing and landlord services. There are also tenant forums open to all tenants that meet several times a year, which is an opportunity for residents to raise important issues. The Big Housing Conversation will continue to be used as an engagement tool with residents throughout the lifetime of the current administration.

Step 3: Who might the proposal impact?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered above and the characteristics protected by the Equality Act 2010. Also include details of existing issues for particular groups that you are aware of and are seeking to address or mitigate through this proposal. See detailed guidance documents for advice on identifying potential impacts etc. [Equality Impact Assessments \(EqIA\) \(sharepoint.com\)](#)

3.1 Does the proposal have any potentially adverse impacts on people based on their protected or other relevant characteristics?

Consider sub-categories (different kinds of disability, ethnic background etc.) and how people with combined characteristics (e.g. young women) might have particular needs or experience particular kinds of disadvantage.

Where mitigations indicate a follow-on action, include this in the 'Action Plan' Section 4.2 below.

GENERAL COMMENTS (highlight any potential issues that might impact all or many groups)

In general any increase in rent and service charges during a cost of living crisis is likely to have a disproportionate impact on low income households experiencing food and fuel poverty, unless this is adequately mitigated through other initiatives such as the local crisis prevention fund (LCPF) and the Household Support Fund (HSF).

There are no proposals to reduce housing management services for 2023/24.

Analysis demonstrates that some groups disproportionately affected by rent arrears. With the cost-of-living crisis it's important that we:

- Promote opportunities to apply for benefits and to sign post residents to support
- Monitor the impact of the rent increase and its impact of younger people; Black, Asian and Minority Ethnic communities; and women.

Our Asset Management Strategy has an EQIA in place to mitigate against negative impacts in relation to our investment decisions. We complete EQIAs before procuring each of the major refurbishment projects, and when reviewing our standards and developing new approaches to investment to maximise positive impacts and mitigate against any potential adverse impacts.

PROTECTED CHARACTERISTICS

Age: Young People	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Rent Increase
Mitigations:	Monitor the impact of the rent increase. For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Age: Older People	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Rent increase
Mitigations:	Some older people receive a pension that increases with the rate of inflation. Promote opportunities to apply for benefits and to sign post residents to support.
Disability	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	There may be a disproportionate impact on increased rent to Disabled tenants. One in five Disabled adults faces extra costs of over £1,000 a month even after they have received welfare payments designed to meet those costs ¹ .
Mitigations:	Monitor the impact of the rent increase. Promote opportunities to apply for benefits and to sign post residents to support, and staggered payments options. For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Sex	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Rent increase: Women are more likely to be rent arrears - the impact of the rent increase.
Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payments options. For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Sexual orientation	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Rent increase
Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payments options. For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Pregnancy / Maternity	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	We do not have the data on the proportion of tenants who are pregnant, however rent increase may have a disproportionate impact due to the cumulative effect of other increased costs.

¹ Disability Price Tag | Disability charity Scope UK

Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payment options. For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Gender reassignment	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	We do not have the data for the group
Mitigations:	
Race	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Rent Increase- Black, Asian and Minority Ethnic tenants are more likely to be in rent arrears - the impact of the rent increase.
Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payment options. For 2023/24 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Religion or Belief	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Marriage & civil partnership	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
OTHER RELEVANT CHARACTERISTICS	
Socio-Economic (deprivation)	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	See general comments above – increased rents are likely to have a disproportionate impact on low income households unless this is adequately mitigated through other initiatives.
Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payments. For 2022/23 up to £350k will be made available for council tenants in financial crisis, with applications managed through the council's Local Housing Crisis Prevention fund.
Carers	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
Other groups [Please add additional rows below to detail the impact for other relevant groups as appropriate e.g. Asylums and Refugees; Looked after Children / Care Leavers; Homelessness]	
Potential impacts:	
Mitigations:	

3.2 Does the proposal create any benefits for people based on their protected or other relevant characteristics?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our Public Sector Equality Duty to:

- ✓ Eliminate unlawful discrimination for a protected group
- ✓ Advance equality of opportunity between people who share a protected characteristic and those who don't
- ✓ Foster good relations between people who share a protected characteristic and those who don't

This proposal does have some benefits for our tenants in the following ways:

- Repair & Investment: continue to focus on our priorities previously identified by tenants including providing warm and reducing fuel poverty, ensuring homes are safe and on key elements such as kitchens.

This benefits older and disabled tenants for whom the cold may be a particular issue, and recognises that many of the protected characteristic groups are more likely to live below the poverty line.

- **New Homes:** Women, Black and minority ethnic people, and Disabled people are overrepresented as both households seeking homelessness prevention advice and on the housing register. Addressing housing needs by providing more homes is therefore beneficial in addressing inequalities. In addition, new homes bring in a new income stream, safeguarding future income and service provision for all tenants.
- **Fire Safety:** The profile of residents varies from block to block, but in some block the following groups are over-represented: older people or Black, Asian and Minority Ethnic tenant. Additional funding for fire safety precautions and improvements increases demonstrates our commitment to safety.
- **Service provision:** continue to focus on provision of low-cost housing that supports tenants and focusses services on the most vulnerable whilst considering impacts on estates and neighbourhoods.
- **Procurement of Contractors:** The city council tendering process will assess potential contractors on a range of factors including how they bring social value and the level of customer care offered.
-

We are also mindful that because Disabled, and Black, Asian and Minority ethnic communities are over represented in seeking homelessness prevention advice, on the housing register and particularly they are more likely to be in rent arrears, this proposal may not be promoting equality of opportunity and therefore we need to ensure that outlined mitigations and actions plans are carried through.

Step 4: Impact

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This summary can be included in decision pathway reports etc.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary, and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:

For tenants who are in rent areas this proposal will influence their current debt situation. We will be mindful that support should be put in place for those who have been identified as having existing arrears and help from appropriate services will be forthcoming.

Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:

The equalities impact assessment has reinforced existing knowledge that service provision is not always able to respond flexibly and effectively to the different needs of groups with protected characteristics. Focussing on maximising income, improving services and increasing the provision of homes is a targeted approach to addressing inequalities.

4.2 Action Plan

Use this section to set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group please specify this.

Improvement / action required	Responsible Officer	Timescale
Maximise service charge income to enable future improvements. Delivered through a review of service charges, this will require a further equality impact assessment	Sarah Spicer	March 2024
Identify homes that are poor performing (require high levels of future investment and/or have low levels of tenant satisfaction) and carry out option appraisal regarding their future.	Sarah Spicer	March 2024
We do not have data for tenants with the following protected characteristic: gender reassignment, pregnancy and maternity, religion & belief, sexual orientation and marriage and civil partnership. We will endeavour to collect this information for subsequent surveys to understand the demographics of our tenants.	Sarah Spicer	March 2024

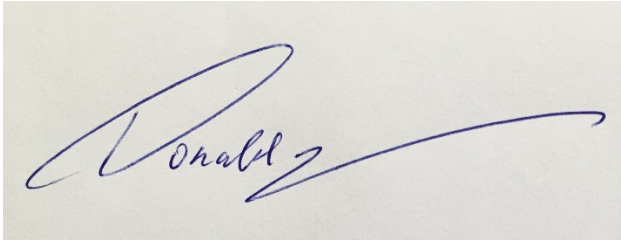
4.3 How will the impact of your proposal and actions be measured?

How will you know if you have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective your approach is still appropriate.

- Key Performance Indicators will be used to monitor the contractor’s performance.
- Monitor the complaints and identify systemic failures and lessons learned
- Continue to collect asset intelligence, proactive surveys, identify urgent priorities, assess information and feed into investment plan to ensure we have good sound knowledge and data of our homes.
- Carry out ongoing equalities monitoring and impact assessments for specific projects.
- Levels of rent arrears, have they increased and for which equality group, and in relation to housing register demographics

Step 5: Review

The Equality and Inclusion Team need at least five working days to comment and feedback on your EqIA. EqIAs should only be marked as reviewed when they provide sufficient information for decision-makers on the equalities impact of the proposal. Please seek feedback and review from the Equality and Inclusion Team before requesting sign off from your Director².

<p>Equality and Inclusion Team Review: <i>Reviewed by Equality and Inclusion Team</i></p>	<p>Director Sign-Off: Donald Graham, Director Housing and Landlord Services</p> 
<p>Date: 21/12/2022</p>	<p>Date: 22.12.2022</p>

² Review by the Equality and Inclusion Team confirms there is sufficient analysis for decision makers to consider the likely equality impacts at this stage. This is not an endorsement or approval of the proposal.

Eco Impact Checklist

Title of report: HRA Housing Investment Plan 23/24

Report author: Jonathan Williams

Anticipated date of key decision Cabinet 24th January 2023

Summary of proposals: This cabinet report sets out the proposals for the 23/24 Housing Revenue Account (HRA) Housing Investment Plan budget to enable the HRA to deliver its essential repairs, maintenance, and improvements to the housing stock.

Will the proposal impact on...	Yes/ +ive or No -ive		If Yes...	
			Briefly describe impact	Briefly describe Mitigation measures
Emission of Climate Changing Gases?	Yes	+ive	A number of the proposals contained within this budget will reduce emissions by improving energy efficiency within our HRA housing stock.	<p>Proposals include installing loft and cavity wall insulation.</p> <p>A budget is included for Retrofit Pilots, to explore how properties can be retrofitted to improve energy and water performance and reduce carbon emissions. Retrofits projects will be completed to a certified standard – PAS2035. This is a national standard for whole house retrofit projects.</p> <p>We have submitted a funding bid to the Social Housing Decarbonisation Fund (SHDF). The budget allows for energy efficiency works to the properties included within this bid. We have identified savings and demonstrated how these will be achieved as part of the bid.</p> <p>An Energy & Renewables Manager will be taking post in January 2023 to further develop our energy efficiency strategy. The manager will work closely with the Sustainable City and Climate Change team and City Leap to identify opportunities and joined up working on targets, goals and carbon accounting.</p>
		-ive	Vehicle use associated with works will generate emissions	Suppliers will be asked whether they can use electric or low emission vehicles for carrying out this work, as well as using suitable vehicles efficiently (e.g., suitable timing, routing, speed, number of journeys and zoning of teams). Suppliers will need to comply with the Bristol Clean Air Zone
		-ive	Generator or other power use associated with works will generate emissions	Suppliers will be asked to use the lowest emission options wherever possible.
		-ive		Suppliers will be asked if they can provide Environmental Product Descriptions (EPDs) and Life Cycle Analysis (LCAs) to establish the carbon impact of products or

Consumption of non-renewable resources?		-ive	Fossil fuels and other non-renewable materials and products will be used in the works delivered by these budget proposals.	<p>Materials will be BRE Green Guide A or B rated materials and products unless there are significant technical or financial reasons why this cannot be achieved. Equivalent ranking schemes will be considered.</p> <p>All timber and wood-derived products for supply or use in performance of the works delivered under this budget must be from independently verifiable legal and sustainable sources as defined by UK Government guidance.</p> <p>Durable, renewable, recycled and recyclable materials and components will be specified where appropriate.</p> <p>Equipment will be re-used and upgraded wherever reasonably practicable to reduce the demand for materials provide replacements.</p> <p>Responsive repairs volumes will be monitored to ensure maintenance and replacement cycles are at an appropriate level.</p>
Production, recycling or disposal of waste		+ive	Improvements to energy efficiency will improve Bristol's resilience to fuel scarcity and reduce fossil fuel consumption.	<p>Energy efficient products will be specified where appropriate.</p> <p>Contractors and Direct Labour will be required to take responsibility for their waste, including adhering to the waste duty of care and waste hierarchy by:</p> <ul style="list-style-type: none"> • Reducing waste • Reusing waste where legal and practicable • Using products which are readily recyclable. • Recycling as much waste as possible <p>Hazardous wastes will be stored and disposed of in a legally compliant manner. Electrical items will be disposed on in compliance with the WEEE Regulations.</p> <p>Where appropriate contract documents will promote the recycling of scrap metal, with any income returning to Bristol City Council.</p>

The appearance of the city?	Yes	+ive	The 2023/24 budget contains a range of works which will help maintain the external appearance of existing Council Housing and HRA land.	<p>External maintenance works to Council Housing will aim to improve the appearance of existing council housing.</p> <p>Durable materials which maintain homes appearance will be specified where practicable.</p>
Pollution to land, water, or air?		-ive	<p>Works delivered under this budget are likely to involve the use and storage of materials that could contaminate land, watercourses and surface water drains, if accidentally released.</p> <p>Works are likely to create dust and noise.</p> <p>Transport to deliver works will create air pollution.</p>	<p>Contractors and Direct Labour will be required to work in accordance with all relevant regulatory guidance and also ensure appropriate procedures and equipment are in place to:</p> <ul style="list-style-type: none"> • Securely store any potentially polluting materials and keep them away from watercourses and surface drains. • Avoid washing out containers of paints, pesticides, or similar materials into drains. • Ensure that drainage connections are correct, with sewage entering foul sewers, not storm drains. • Minimise noise and dust. • Contain any spillages. • Communicate best practice. <p>Homes and Landlord Services will continue to build on previous progress made to programme works in a manner which reduces the transport impacts of staff and contractors.</p>
Wildlife and habitats?		-ive	<p>It is possible for works and construction materials associated with this budget to:</p> <ul style="list-style-type: none"> • Impact upon legally protected species or habitats • Impact on priority species or habitats • Remove or damage trees. 	<p>Timber must be used in accordance with the requirements set out in the Consumption of Non-Renewable resources section above.</p> <p>Where works have the potential to disturb protected species or impact upon their habitat, guidance from a suitably experienced and qualified ecological consultant will be sought and followed at the earliest opportunity.</p> <p>Any works requiring Planning Permission will be reviewed by a Council Ecologist as part of the Planning process.</p> <p>Wherever possible existing trees will be retained and works affecting these trees will be undertaken in accordance with “BS 5837: Trees in relation to design, demolition and construction – Recommendations”</p>

				<p>Consideration will be given to enhancing biodiversity to ensure that HRA activities will result in more biodiversity than previously existed. This is a goal in the One City Ecological Emergency Strategy and a general duty for public authorities to conserve and enhance biodiversity was introduced by the Environment Act 2021, as was a 10% increase in biodiversity net gain for projects requiring planning permission.</p> <p>Consideration will be given to introducing to reducing pesticide use by at least 50%. This is a goal in the One City Ecological Emergency Strategy</p>
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Consulted with: Head of Housing Repairs & Maintenance, Building Services & Compliance Manager, Planned Improvements Service Manager, Responsive Repairs Service Manager, Asset Strategy Manager, Procurement Category Manager

Summary of impacts and Mitigation - to go into the main Cabinet/ Council Report

The significant impacts of this proposal are...

Works delivered under this budget will result in the consumption of non-renewable resources, production of climate changing emissions and production of waste. Works also create the potential for both direct and indirect impacts on wildlife and habitats.

Some works delivered under this budget such as loft and cavity insulation have the potential for reducing consumption of fossil fuels and emissions of greenhouse gases.

The proposals include the following measures to mitigate the impacts...

The following mitigation measures will be implemented:

- Each activity under the HIP will have its own Eco Impact Assessment to identify measures to mitigate any concerns.
- A Sustainability Appraisal will be completed as part of any procurement process.
- Homes and Landlord Services will liaise with BCC's Environmental Performance team during the development of specifications etc.
- Continuously improving asset intelligence will help to target works where most required on housing stock.

The net effects of the proposals are:

The environmental impacts of this proposal are likely to be positive overall.

Checklist completed by:

Name:	Jonathan Williams
Department:	Asset Management & Review, Homes and Landlord Services
Extension:	07795 333 673
Date:	07/12/2022
Verified by Environmental Performance Team	Nicola Hares – Environmental Project Manager – 19/12/2022