

# Cabinet Supplementary Information



**Date:** Tuesday, 23 January 2024

**Time:** 4.00 pm

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

**21. Housing Revenue Account (HRA) Budget Proposals 2024/25**

(Pages 2 - 89)

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**Date:** Wednesday, 17 January 2024



# Decision Pathway – Report

**PURPOSE:** [Key decision](#)

**MEETING:** [Cabinet](#)

**DATE:** 23 January 2024

<b>TITLE</b>	<b>Housing Revenue Account (HRA) Budget 2024/25</b>		
<b>Ward(s)</b>	Citywide		
<b>Author:</b> Richard James	<b>Job title:</b> Interim Asset Management Consultant		
<b>Cabinet lead:</b> Cabinet Member for City Economy, Finance & Performance Cabinet Member for Housing Services & Energy Cabinet Member for Housing Delivery & Homelessness	<b>Executive Director lead:</b> John Smith Interim Executive Director – Growth & Regeneration		
<b>Proposal origin:</b> <a href="#">BCC Staff</a>			
<b>Decision maker:</b> Cabinet <b>Decision forum:</b> <a href="#">Cabinet</a>			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. To seek Cabinet’s endorsement of the proposed 2024/25 Housing Revenue Account (HRA) Budget and 5-year medium term financial plan (MTFP).</li> <li>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).</li> <li>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.</li> </ol>			
<b>Evidence Base:</b>			
<u>Background</u>			
<ol style="list-style-type: none"> <li>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 2024/25 and a 5-year capital programme 2024/25 – 2028/29 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 2024/25, new pressures and additional contributions to the city’s priorities for housing delivery.</li> <li>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 throughout the plan period.</li> </ol>			
<u>External Investment Pressures and Commitments</u>			
<ol style="list-style-type: none"> <li>3. The budget is significantly informed by the extensive consultation through the ‘Big Housing Conversation: Investment in Council Housing’ carried out in 2021, which set out key priorities and informed the 2022/23 and 2023/24 plans.</li> <li>4. There are significant external pressures and investment commitments affecting the 2024/25 budget, Medium Term Financial Plan (MTFP) and 30-year business plan. These are outlined within the report and appendices and include:                     <ul style="list-style-type: none"> <li><u>External Pressures</u> <ul style="list-style-type: none"> <li>• Above inflationary increases of c.15% in costs for materials, contracts and development of new</li> </ul> </li> </ul> </li> </ol>			

homes. There are signs of inflationary pressure slowing in the construction sector.

- Requirement to respond to Building Safety Act and Fire Safety Act, new Consumer Standards, and proactive regulation.
- Requirement to achieve EPC C (energy performance certificate level C) and Net Zero Carbon energy efficiency / decarbonisation, especially on our oldest homes.

#### Investment commitments

- Costs for fire safety measures within high rise blocks (including: waking watch, cladding, sprinklers and fire alarms).
- The cost of accelerated and enhanced safety compliance works (including enhanced: Building and Fire safety team, fire safety remedial works team and damp & mould taskforce).
- Provision for a transformation programme to replace several housing IT systems with a single platform.
- Likely increase in investment following the planned stock condition survey of our homes.

#### Landlord Health & Safety Compliance Spend

5. A total spend of £258m over the next 10 years in Landlord Compliance related capital and revenue programmes.
6. Fire safety: In 2023/24 we have been delivering a new Fire Safety inspection programme, following new regulatory requirements. 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. These detailed inspections will continue to identify fire safety works to our homes.
7. Following the tragedy at Grenfell Tower in 2017 and two serious fires in BCC owned residential blocks in Autumn 2022, we have continued our commitment to invest in Fire and Building Safety. The capital investment programmes are outlined in item 9. In addition to these programmes, we will be investing an additional £750K in Fire Risk Assessment External Wall (FRAEW) inspections to high and medium rise blocks and £600K on structural surveys.
8. The decision to decant Barton House while intrusive structural inspections demonstrate the focus on fire and building safety which will continue in 2024/25 and beyond.
9. There are a number of significant programmes for fire safety work. The total cost of fire safety works over the next ten years is now £103m. 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 £63.5m.
  - Waking watch - 24/7 fire safety patrols are in place at 33 blocks where there are concerns about the cladding (the figure has reduced from 38 as EPS cladding has now been removed from 5 blocks). Where interim measures are needed for longer, we are installing fire alarms. A cost of £2.1m is anticipated in 2024/25 for Waking Watch. This is based on all new Fire Alarm systems being installed by September 2024 (see below bullet point) and all Waking Watch being removed by November.
  - Fire alarms - installing Simultaneous Evacuation Alarms in all flats affected acts as an interim measure, and as an alternative to waking watch. Where 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 cladding is scheduled to take longer, we will replace the Waking Watch with an alarm system. A total cost of £8.7m (including 23/24) was anticipated for installing fire alarms across blocks where longer-term measures will be needed. The alarms are expected to be installed by September 2024. The proposed budget for 2024/25 is £2.5m which will fund the remaining systems not installed during 2023/24.
  - Sprinklers – a sprinkler installation programme across all 62 high-rise blocks has been agreed and the proposed costs allow for the installation of these sprinklers over a 4-year period totalling £28.7m. The proposed budget for 2024/25 is £6.2m compared with 2023/24 which is £1.86m. The sprinkler installation programme will be completed by 2027/28.
  - Fire Door Replacement Works - a fire door replacement programme has been agreed, over a 7-year period at a total cost of £6m.

#### The 'Big Housing Conversation' Commitments

10. We have protected resident priorities identified through the 'Big Housing Conversation' and included in the 2022/23 and 2023/24 Business Plans. A summary of the investment commitments included within the 2024/25 plan are:

- £83m over 15 years for planned bathroom replacement programme
- Continue delivering the commitment 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. The investment includes contributions from BCC of: £11m in 2024/25, £76m in the first 5 years of the plan and a total of £100m up to 2030/31. This will help us to work towards a target of all homes reaching a minimum EPC of C by 2030 and Net Zero Carbon. Further funding is likely to be required to ensure all homes meet EPC C and will require further grant funding being made available from central government.
- £946m in the MTFP to develop 3082 new council homes (new build & acquisitions) over the next five years (see details in Appendix A3). This includes £15m for a land acquisition pot to enable the construction of more homes.
- c.£1m for HRA park and play area refurbishment covering 2023/24 & 2024/25.
- Additional investment in blocks, estates and communal areas between 2024/25 & 2026/27 of £6.15m (£2.05m per annum):
  - a. £0.6m contribution to the Rapid Response Service
  - b. £0.36m for the Assisted Gardens Programme
  - c. £0.61m for additional waste & recycling facilities
  - d. £1.78m for stock condition surveys that will inform future investment programmes
  - e. £0.98m for CCTV & security upgrades  
£1.82m currently unallocated. We will engage with the Housing Management Board in 2024/25 to agree the allocation this investment (this is in addition to a 'Neighbourhood Investment budget of £462K per annum for one off neighbourhood improvement projects).

#### Other Spend Commitments in Existing Homes

Other major spend commitments included in the 2024/25 Budget and Business Plan are:

- f. £0.21m per annum extra for an enhanced Damp & Mould Taskforce.
- g. £1.25m funding to move the joinery shop to a new location.
- h. £0.73m extra investment in the Building Safety Team for two years (extra cost of enlarged team to develop building safety cases)

#### Investment in New Build and Acquisition

11. Enhancement of the new building and property acquisition programmes to include the buyback of homes bought under Right to Buy Homes (RTB). This brings the pipeline to 3,082 council homes over the next five years. A change in government rules regarding RTB receipts enables BCC to retain a greater proportion of receipts which we are using to support the provision of additional homes.

#### Efficiency Savings and Income Realisation

12. To ensure the long-term viability of the business plan a number of changes have been made within the business plan and these include:

- Cost reductions and efficiency savings mainly affecting revenue costs.
- Commitment to review service charges during 2024/25, to ensure we are compliant with regulatory requirements and increasing chargeable income recovery.

#### Rent Increase and Financial Support for Residents

13. The current Government's rent standard allows social landlords to increase social housing rents by September CPI plus 1% each year. In September 2023, with inflation was 6.7%. As a result, the maximum rent increase that can be implemented is 7.7%.

14. To support residents in hardship, a hardship fund of £500,000 is included in each year of the business plan. For 2024/25, £350,000 is set aside for residents accessing the Local Crisis Prevention Fund, with the remainder set aside for other schemes. This will include a newly introduced cladding removal support scheme to support residents affected by increased energy bills resulting from the removal of EPS cladding

whilst it is replaced with an A rated cladding system.

15. One additional Housing Manager, an additional Team Leader and three Tenancy Sustainment Officer's will support residents who are struggling to sustain their tenancies.

#### Pay Inflation

16. The business plan assumes a pay inflation uplift capped at 5% in year 1 (2024/25).
17. 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 £1.8bn expenditure for the Housing Investment Plan and £3.1bn for new build and acquisitions.

#### Summary of Income and Investment

18. Below is a summary of the headline figures for the 2024/25 budget and MTFP:

##### Revenue income

The HRA forecasts revenue income of £151m for 2024/25 comprised of:

- **£135.6m** rental income (net, after allowing for rent loss for empty properties – based on 50-day void turnaround time in 2024/25 and further reductions in 2025/26 onward)
- **£13.4m** service charges (based on current charges, plus an inflationary uplift)
- **£1.1m** non-dwelling rent (garages and commercial units).
- **£0.8m** Grant funding for Social Housing Decarbonisation Fund

The primary source of income is from rents and service charges. The average weekly rent for council homes is currently £90.76. The recommended increase for 2024/25 of 7.7% means average rents will rise to £97.75. For 66% of tenants this increase will be met through either fully or partially through benefits (housing benefit or universal credit).

It is also proposed to increase Service Charges by 7.7%. Service charges are required to reflect the actual cost of the services incurred. This means service charges for leaseholders will be based on 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 2024, which will include a deficit or surplus depending on costs incurred within the financial year for 2022/2023. Delegation will be sought to issue the Actual statements by September 2024.

##### 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 H&S related activities, repairs, maintenance and improvements to council housing. The budget for 2024/25 will be:

- **£44m** for responsive repairs and maintenance, including compliance safety programmes
- **£39m** to deliver supervision and management functions
- **£14.5m** delivering special services (e.g. caretaking, laundry provision, support to older people)

##### Capital Programme Expenditure

The 5-year Capital Programme consists of:

- **£452m** for the Housing Investment Programme to maintaining and improving the existing stock as set out in Appendix A2 Housing Investment Programme 2024/25.
- **£946m** to deliver 3082 new council homes (including new build and acquisitions)
- **£5m** for fleet replacement to utilise vehicles (including fully electric and hybrid wherever possible)

#### Finance Summary and Assumptions

19. 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 £1.8bn expenditure for the Housing Investment Plan and £3.1bn for new build and acquisitions.

### Environmental Impact Assessment

20. The Environmental Impact Assessment in Appendix F states ‘Overall this proposal will have long term beneficial impacts through retrofitting, insulation works and the fitting of more efficient fixtures and fittings. The overall estimated carbon savings will be calculated as the project progresses. There are short term negative impacts through this proposal through construction works which will be mitigated through the procurement procedures with focus on specifications for materials used, waste management procedures and travel methods.’

### Strategic review of the leadership of Housing & Landlord Services

21. A strategic review of the leadership of Housing & Landlord Services will be undertaken with a view to ensuring sufficient strategic and divisional senior leadership capacity to enable the Housing Service to provide appropriate strategic leadership in line with corporate priorities and enable the delivery of the Housing Delivery and Housing Investment Programme.

### Appendices

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

- A1: The 2024/25 HRA budget and MTFP
- A2: Housing Investment Plan
- A3: Housing Delivery Programme
- Appendix D: Risk assessment
- Appendix E: Equalities Impact Assessment
- Appendix F: Environmental Impact Assessment

### **Cabinet Member / Officer Recommendations:**

**That Cabinet** is asked to recommend the following proposals to Full Council:

1. Agrees and recommends a rent and service charge increase of 7.7% effective from April 2024 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 £151m for 2024/25 set out in Appendix A1 to Full Council.
3. Agrees and recommends the five-year capital programme 2024/25–2028/29 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 Services and Energy, to increase service charges (including district heating) and garage rents in line with inflation and to approve the recalculated service charges and service charge statement based on actual costs for issue in September 2024.
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:**

6. Authorise the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homelessness, or the Cabinet Member for Housing Services and Energy, 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.
- note that 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 Services and Energy 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 procure and 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 in consultation with the Cabinet Member for Housing Delivery and Homelessness 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)
- b) during 2024/25 to deliver the HRA Development Programme capital investment plans detailed in Appendix A3 (notwithstanding those individual contracts may exceed the key decision threshold)
- c) 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.
- d) to determine the appropriate nature/mix of tenure appropriate for each scheme
- e) to identify and authorise suitable sites and properties for the programme, including both Council property and acquiring additional land or properties.
- f) Delegated decisions relating to development will be published (Officer Executive Decisions).

**Corporate Strategy alignment:**

Homes and Communities:

- 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 3,000 new affordable council-owned homes, helping alleviate the housing crisis and ensuring the provision of affordable homes across the city
- Funding for energy efficiency and reducing carbon emissions supports the city’s response to the climate emergency and ambitious carbon reduction targets

**City Benefits:**

1. Fourteen percent of housing in Bristol is owned and managed by BCC, 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.
2. Significant investment in the HRA will be re-invested in the maintenance and investment programmes of our homes in 2024/25, 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. This includes significant investment in Health and Safety related works and improving the Energy Efficiency of BCC owned homes.

**Consultation Details:**

Internal consultation only:

- Workshops with Cabinet Member for Housing Services & Energy and Cabinet Member for Housing Delivery & Homelessness and Section 151 officer: 21 December 2023
- Update sessions with Cabinet Member for Housing Services & Energy and Cabinet Member for Housing Delivery & Homelessness: various throughout September 2023 to January 2024
- Cabinet Member briefing: 20 November 2023, 11 December 2023, 8 January 2024
- EDM: 15 November 2023, 06 December 2023
- Finance Scrutiny Task Group: 06 September 2023, 23 November 2023, 05 January 2023

**Background Documents:**

- Rent Standard (<https://www.gov.uk/government/publications/rent-standard>)
- Consumer Standards ([Consultation on the consumer standards - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/consumer-standards))
- Decent Homes 2 ([June 2023 - update on government's work to improve the quality of social housing - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/decent-homes-2))
- Implication of new legislation on High Risk buildings ([Guidance on the criteria for being a higher-risk building - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/high-risk-buildings))

<b>Revenue Cost</b>	<b>£151m (1 year)</b>	<b>Source of Revenue Funding</b>	Housing Revenue Account
<b>Capital Cost</b>	<b>£1,406m (5 year)</b>	<b>Source of Capital Funding</b>	Grants, Prudential Borrowing, Capital Receipts & RCCO
<b>One off cost</b> <input type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <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 7.7% for next financial year (2024/25), 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 2024/25. The Plan is based on a financial model which reflects assumptions for rents, service charge income and expenditure requirements over a 30-year period.

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 7.7% from dwellings, effective from April 2024, the HRA would generate £10.4m more in turnover in the financial year than is forecast to be achieved in 2023/24. This includes the contribution made by new properties expected to come into use during the year.

The level of service charges should be set to enable full recovery of the costs of providing the service. Service charges for leaseholders will be based on 2022/23 actual costs. Accounts will be reconciled to these actual costs and statements issued to leaseholder by September 2024. This will include a deficit or surplus position depending on costs incurred during the Financial Year 2022/23. Delegation is being sought to allow the Executive Directors in consultation with the Cabinet member to approve these calculations and issue the statements. It is proposed that service charges are increased by 7.7% (CPI in September 2023 +1%) for 2024/25. The additional service charge income has been reflected in the draft budget position.

Previously unplanned activities arising in 2023/24 related to fire safety Waking Watch are continuing at a lower level into 2024/25 as remedial works are undertaken and Waking Watch removed.



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% provision for bad debts.

This report also seeks approval of the Council 5-year HRA Capital programme (2024/25 to 2028/29) and proposes delegation of authority to the Executive Director of Growth and Regeneration in consultation with the Cabinet Member for Housing Services & Energy and Cabinet Member for Housing Delivery & Homelessness to consider and approve the scope of all projects including the approval and rephasing of capital budgets for individual schemes, within the overall £1,406m budget proposed in the report.

The proposed capital programme budget for new build developments (HRA 2) and the Housing Investment Plan (HIP) is £946m and £452m respectively over the 5-year period from 2024/25 - 2028/29. In addition, the Authority plans to invest approximately £5m in renewing its aging fleet of vehicles.

The revised capital programme for 2024-2029 demonstrates the Council's ongoing ambitions and commitments to both deliver new homes, and to improve the homes of our existing tenants. It is acknowledged however that these ambitions are subject to the constraints of current market capacity in order to deliver. Where there are strong indications of insufficient market capacity, the capital programme will be re-shaped and reprioritised to ensure delivery of as many new homes, and improvement of as many existing homes as possible.

The 2024 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 Services & Energy and Cabinet Member for Housing Delivery & Homelessness 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 2024/25 budget assumes reserve draw down of £19.7m to contribute to the financing of the 2024/25 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 2024/25 is £21m and is designed to cope with unpredictable circumstances which cannot be addressed by management or policy action within the year. As with 2023/24, an additional £5 million has been provided in the general reserves to reflect the current economic climate and risk exposure.

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. The next financial year (2024/25) is officially the last year of the current arrangements. However there has been no discussions around future rent setting proposals, and it is currently widely expected that these arrangements will continue as they are in the medium term. This is reflected in the Business Plan assumptions.

Whilst the economy is in a more stable position than 12 months ago with inflation falling and a cut to interest rates widely expected in the next year, there remain risks around the possibility of economic recession and external factors continuing to fuel higher than estimated inflationary pressures. These risks, coupled with the impact of the economic crisis that have been baked into the economy could increase the likelihood of non-collection of rents and may, consequently result in elevated levels of rent arrears and bad debt.

The 2024 HRA 30-year business plan will be reviewed and monitored in year and refreshed annually, allowing for horizon scanning & the identification and mitigation of risks in the short, medium & long term.

**Finance Business Partner:** Martin Johnson (Interim Finance Manager) – 11 January 2024

**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 take 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 (HDP), 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. Officers must also ensure the programme remains compliant with the Council's budget and policy framework.

**Legal Team Leader:** Eric Andrews, Team Manager 11 January 2024

**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, 10 January 2024

**4. HR Advice:** There are no HR implications evident

HR Partner: Celia Williams, HRA Business Partner, 10 January 2024

<b>EDM Sign-off</b>	John Smith, Executive Director of Growth & Regeneration	17/01/2024
<b>Cabinet Member sign-off</b>	Cabinet Member for Housing Services & Energy and Cabinet Member for Housing Delivery & Homelessness	17/01/2024
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	17/01/2024

<b>Appendix A – Further essential background / detail on the proposal</b> Appendix A1 - HRA Budget Appendix A2 – Housing Investment Plan Appendix A3 – Housing Delivery Programme	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>

<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>

# HRA 2024/25 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 28.6K 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 2024/25, sets out the final proposed budgets for 2024/25 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 residents' 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 2024/25

- 2.1 Income raised through residents' 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 rent formula allows social landlords to increase social housing rents by a maximum of September's CPI plus 1% each year. In September 2023, CPI was 6.7%. As a result, the maximum rent increase that can be implemented is 7.7%. It is proposed that the maximum rent increase is implemented which will take effect from April 2024.
- 2.3 To support residents in hardship, a hardship fund of £500,000 is included in each year of the business plan. For 2024/25, £350,000 is set aside for residents accessing the Local Crisis Prevention Fund, with the remainder set aside for other schemes. This will include a newly introduced cladding removal support scheme to support residents affected by increased energy bills resulting from the removal of EPS cladding whilst it is replaced with an A rated cladding system.
- 2.4 The proposed average weekly rent for HRA socially rented tenancies in 2024/25 will be £97.75, compared to £90.76 in 2023/24.
- 2.5 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 7.7% is estimated to result in an additional c.£10.4m of income when compared to the 2023/24 projected outturn. This includes new homes anticipated to be let in 2024/25.

**Table 1: Average rents by bedroom size**

<b>No. of beds</b>	<b>Average rents 2023/24</b>	<b>7.7% 2024/25 Uplift</b>	<b>Average rents 2024/25</b>
0	£69.50	£5.35	£74.85
1	£78.90	£6.08	£84.98
2	£87.89	£6.77	£94.66
3	£102.38	£7.88	£110.26
4	£110.27	£8.49	£118.76
5	£119.40	£9.19	£128.59
6	£127.77	£9.84	£137.61
<b>Average Rent</b>	<b>£90.76</b>	<b>£6.99</b>	<b>£97.75</b>

- 2.6 This additional resource is required to finance increased costs in the existing level of services, and to provide further mitigation against bad debt and residents rent arrears. This will also allow the service to maintain its investment commitment to the HRA Capital Programme and support the Council to comply with its statutory duties. Plus, enabling the delivery of more council owned social housing in Bristol.

### **3 Service Charges and Other Costs for 2024/25**

- 3.1 Service charges are expected to increase by 7.7% with effect from April 2024. The increase is also based on September CPI figure plus 1%.
- 3.2 Leasehold service charges, in line with resident service charges, are required to reflect the actual cost of the services incurred. This means service charges for leaseholders will be based on 2022/23 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 2024, which will include a deficit or surplus depending on costs incurred within the financial year for 2022/2023. Delegation will be sought to issue the Actual statements by September 2024.
- 3.3 Garage rents are expected to increase by CPI (6.7% at the end of September 2023) with effect from April 2024.
- 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 2024/25.
- 3.5 The business plan assumes a pay inflation uplift capped at 5% in year 1 (2024/25).
- 3.6 Special Services and Supervision and Management costs assume CPI increase of 6.7% (September 2023 CPI) in 2024/25.
- 3.7 Efficiency savings targets have been incorporated into the HRA business plan 2024/25. A 3% efficiency target applied across management activities will result in a £0.9m budget reduction for 2025/26. These savings are currently unidentified. As part of the strategic review of the Leadership of Housing and Landlord services, efficiencies across the service will be identified in line with this target.
- 3.8 Depreciation provision is increasing at the long term Bank of England CPI target of 2% 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 period target of 50 days in 2024/25 and then in line with national benchmark average days thereafter has been set within the business plan to reflect the need to improve current performance levels, which currently stands at 112 days.

### **Proposed Revenue Budget 2024/25**

- 3.10 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**

Proposed 2024/25 HRA Budget Income and Expenditure	2023/24 Budget £000's	2023/24 P8 Forecast £000's	2024/25 Proposed £000's	Movement £000's
Dwelling rents	-127,153	-125,878	-136,317	-10,439
Voids	1,637	1,863	725	-1,138
Non-Dwelling rents	-1,115	-1,035	-1,114	-79
Charges for Services and Facilities	-10,735	-11,805	-13,397	-1,592
Contributions Towards Expenditure		-30	-879	-849
<b>TOTAL INCOME</b>	<b>-137,366</b>	<b>-136,885</b>	<b>-150,982</b>	<b>-14,097</b>
Repairs & Maintenance	40,058	44,348	43,895	-453
Supervision & Management	34,953	37,203	39,492	2,289
Special Services	16,431	14,525	14,491	-34
Rents, rates, taxes and other charges	851	109	586	477
Depreciaiton & impairment of non-current assets	31,258	31,258	31,535	277
Debt Management	41	41	41	0
Movement in doubtful debt provision	1,370	2,520	1,469	-1,051
<b>TOTAL EXPENDITURE - CORE SERVICES</b>	<b>124,962</b>	<b>130,004</b>	<b>131,509</b>	<b>1,505</b>
<b>NET COST OF CORE HRA SERVICES</b>	<b>-12,404</b>	<b>-6,881</b>	<b>-19,473</b>	<b>-12,592</b>
Interest & Investment Income	-457	-7,500	-2,822	4,678
Net interest payable, pension costs and other non operational charges	11,374	11,374	13,229	1,855
Capital Expenditure funded from revenue	47,681	47,681	26,717	-20,964
<b>(Surplus)/Deficit for the year on HRA Services</b>	<b>46,194</b>	<b>44,674</b>	<b>17,651</b>	<b>-27,023</b>
Waking Watch	8,000	9,280	2,100	-7,180
<b>Draw Down From Reserves</b>	<b>-54,194</b>	<b>-53,954</b>	<b>-19,751</b>	<b>34,203</b>
<b>NET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 4 Capital Programme

- 4.1 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.
- 4.2 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.

- 4.3 The 5-year HRA Capital programme includes a baseline New Development Programme for new council homes of £946 million. This is a significant increase from the £453 million allocated in the 2023/24 plan. It also includes the capital Housing Investment Plan (HIP) totalling £452 million. Financial capacity has increased due to an improved reserves position compared to previous forecast and a revised approach to loan repayments from a straight-line basis to an amortised basis. This is in line with treasury policy.
- 4.4 The total proposed HRA Capital Programme budget for 2024/25 – 2028/29 is at £1,406 million as shown in table 3.

Ref	Description	2024/25	2025/26	2026/27	2027/28	2028/29	Total
		£'000	£'000	£'000	£'000	£'000	£'000
HRA1	Planned Programme Major Works	95,979	110,950	92,980	80,407	72,230	452,546
HRA1	Fleet replacement	5,000	0	0	0	0	5,000
HRA2	New Build & Land Enabling	255,757	201,463	139,866	168,752	180,531	946,369
HRA3	HRA IT Infrastructure	1,302	478	0	0	0	1,780
	<b>GROSS HRA CAPITAL</b>	<b>358,038</b>	<b>312,891</b>	<b>232,846</b>	<b>249,159</b>	<b>252,761</b>	<b>1,405,695</b>
	<b>CAPITAL FINANCING</b>						
	Capital receipts	(27,690)	(15,319)	(27,074)	(39,275)	(40,227)	(342,132)
	Capital Grants	(82,089)	(65,509)	(44,676)	(20,813)	(20,000)	(254,257)
	Prudential Borrowing	(185,218)	(185,945)	(115,669)	(150,906)	(153,202)	(1,215,837)
	Major Repairs Allowance	(31,535)	(32,165)	(32,809)	(33,465)	(34,134)	(345,296)
	Other Contributions	(4,789)	(5,940)	(8,701)	(0)	(861)	(28,828)
	Revenue Contribution	(26,717)	(8,013)	(3,917)	(4,700)	(4,337)	(80,549)
	<b>TOTAL FINANCING</b>	<b>(358,038)</b>	<b>(312,891)</b>	<b>(232,846)</b>	<b>(249,159)</b>	<b>(252,761)</b>	<b>(1,405,695)</b>
	<b>NET HRA CAPITAL PROGRAMME</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 4.5 The capital programme detailed above demonstrates the Council's commitment to ensuring existing tenants homes are as safe, secure, warm and energy efficient as possible, as well as ensuring we continue to deliver new homes to help meet Bristol's housing crisis. However, we do acknowledge that such significant ambitions are subject to the constraints of market capacity to deliver. Market conditions will be kept under constant review during 2024/25. Where there are strong indications of insufficient market capacity, the capital programme will be reshaped and reprioritised to ensure we deliver as many new homes and provide as many existing tenants with safe, compliant and energy efficient properties as possible.
- 4.6 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 £10 million). Available resources from the HRA itself (whilst maintaining a minimum balance of £26million) will next be called upon after which, any residual funding required will be via borrowing.



- 4.7 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 amortised repayment basis commencing from the year after the loan is drawn down.
  - Investment in Existing Stock borrowing: 30-year repayment on an amortised repayment basis commencing the year after the loan is drawn down.
  - Due to the currently high level of interest rates over historic debt cost, the HRA will fix any new debt for a short term period, before refinancing at what are expected to be lower interest rates going forward. Any debt refinanced will still be bound by the need to repay within the original term based on when the initial debt was incurred, of a maximum of either 50 or 30 years aligned with the Council's Treasury Management Strategy.
- 4.8 Further details on the investment programme (HIP) and the New Build & Acquisition are set out in appendix 2 and 3 respectively.

## 5 HRA financing and reserves

- 5.1 In October 2018 the government announced the removal of the HRA borrowing cap. This was to enable local authorities to deliver more affordable homes.
- 5.2 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 investment in building and fire safety and new build programmes increase. The business plan assumes borrowing of £794 million to fund the delivery of over 3,000 new homes between 2024/25 and 2028/29 as illustrated in the table 3 above. Capital repayments of £493m are forecast to be made over the life of the plan.
- 5.3 The following interest rates are attributed to new borrowings is within the plan:-

Year Of Plan	Interest Rate
1	5%
2	4%
3	4%
4	4%
5+	4%

The average interest rate on existing loans is 4.61%. These loans total £245m. The annual interest charge of these loans is £11.3m.

The above interest assumptions are in line with the base case rates as set out in the capital financing budget.

- 5.4 The inflationary cost impact of any capital works remains a significant risk to delivery at present, and this will be closely monitored.

- 5.5 The HRA operating reserve as of 31<sup>st</sup> March 2023 was £99 million. Currently, the business plan assumes a minimum operating reserve balance of £26 million, this represents three months of cashflow as well as an additional £5 million 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.
- 5.6 The Major Repairs Reserve, used to fund capital investment and financed through revenue payments, stood at £13 million as at 31<sup>st</sup> March 2023. A minimum reserve balance of £10 million is maintained on this reserve.
- 5.7 In addition to the need for the HRA to balance competing demands, such as investing in supply of new homes, fire safety & other Building safety requirements energy improvements and cost of living crisis have further stressed the importance of maintaining an adequate level of reserves.

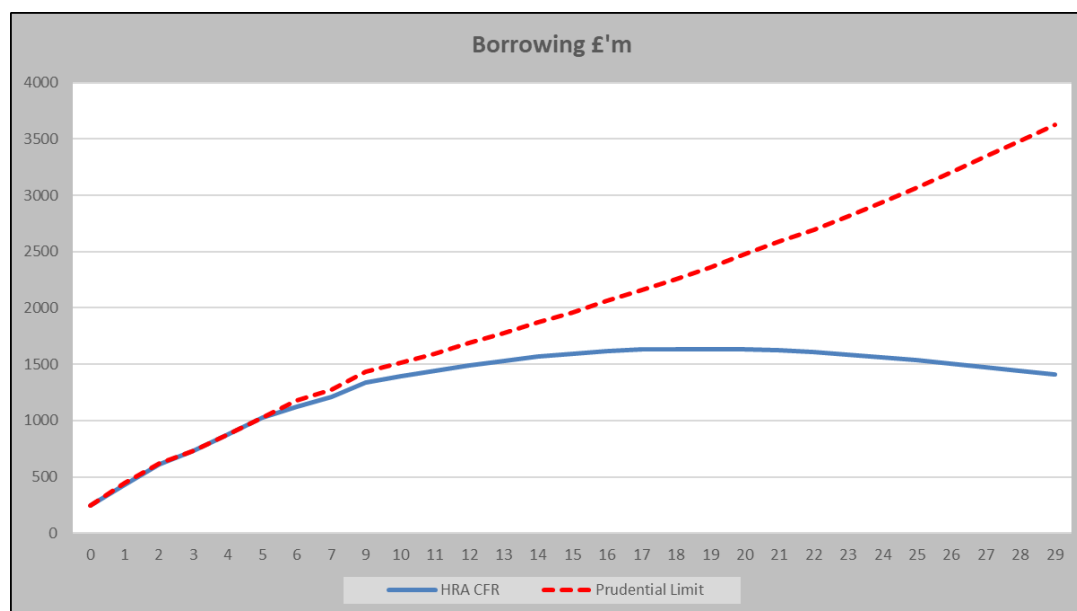
## **6 30- Year Business Plan**

- 6.1 The Housing Revenue Account 30-year Business plan details how the Council uses residents' rents, service charges, grants and borrowing to manage, maintain and develop properties.
- 6.2 The Plan was last revised in January 2023 and this report provides an update on the refreshed business plan, reflecting the delivery of the new build programme; current policy and finances 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.
- 6.3 The objectives of the 2024 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.
- 6.4 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.
- 6.5 There is insufficient funding available for the proposed programmes without taking on additional debt. The refreshed 30-year business plan is projecting total borrowings of £1,905m with new borrowing totalling £1,660 million (£1,167m net) over the life of the plan to deliver the new developments and additional investment in the existing stock. This is significantly higher than the existing debt of £245 million relating to the self-financing settlement of 2012. The 2023/24 Business Plan assumed additional borrowings of £788 million. The requirement within the plan borrow further is as a result of a marked

increase in the ambition to deliver new homes, whilst ensuring the optimal mix of funding is applied.

- 6.6 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. Previous policy was for new borrowings not to be refinanced. However as discussed in para 5.5 above, given the current economic climate and level of interest rates, along with expected reductions to these rates in the short to medium term, any new borrowings taken on by the HRA during 2024/25 will be done so on a short term and then refinanced for the remainder of the existing term (50 or 30 years).
- 6.7 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 2024/25 is 1.31. Although this indicates that borrowing is affordable, this will be done so after utilising external sources of finance such as grants, capital receipts including 1-4-1 income and revenue contributions before any sums are borrowed.
- 6.8 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**

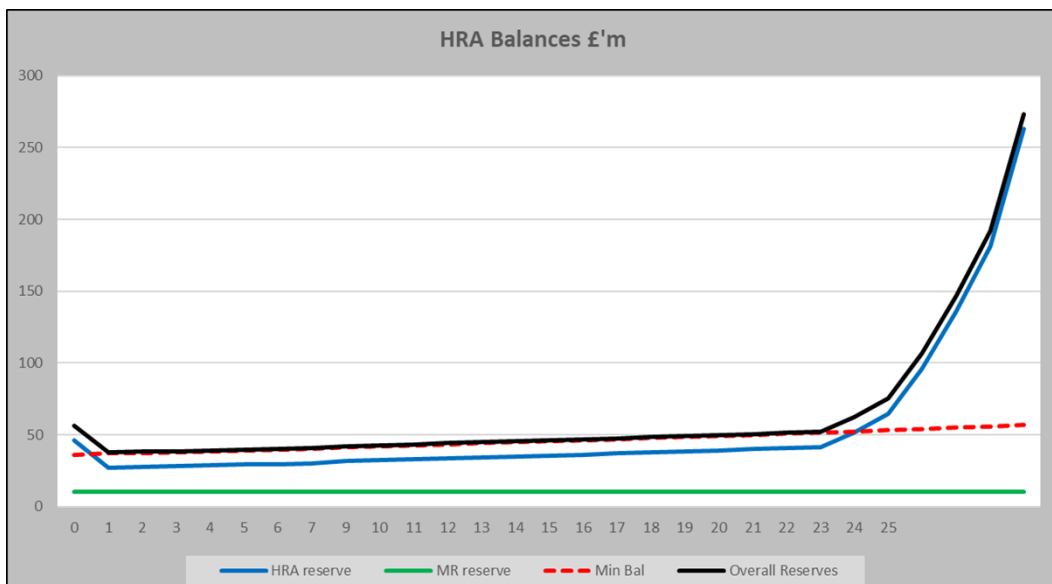


- 6.9 Chart 1 reflects the current loan portfolio and the additional borrowing with subsequent repayments. The gap between the blue line (current debt) and the red line (borrowing limits) is effectively the borrowing headroom available. Repayment of all new borrowing begins in the financial year after the loans are drawn down.
- 6.10 In all years where the Council is borrowing the prudential limit is not exceeded, however for the four years between 2025 and 2029, the plan is

borrowing to capacity to fund investment in existing stock and delivery of new homes.

- 6.11 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 drafted and agreed to ensure the ongoing compliance and viability of the business plan.
- 6.12 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 £26 million (plus inflation) and increases to a projected balance of c. £263million in 30 years, whilst the Major Repairs Reserve remains at £10million.

**Chart 2**



- 6.13 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 23 of the plan. This demonstrates that there is capacity within the plan to borrow or reconsider options in respect of debt repayment.

## 7 HRA Business Plan Model – Key Assumptions

7.1 The 2023/24 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.

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

Description	Business Plan Target	Assumption used in the Business Plan
<b>Inflation</b>	2%	2024/25 CPI is 6.7% as per September 2023 levels and 2% onwards in line with B.o.E forecasts
<b>Management Efficiency Savings</b>	3% from Year 2 (2025/26)	3% Management Cost efficiency savings generating £0.9m annually from 2025/26
<b>Optimism Bias</b>	N/A	None assumed to reflect increased need for investment around health and safety and compliance works
<b>New Build and Acquisition</b>	N/A	547 estimated units to be delivered in 2024/25 and 3,082 over the term of the MTFP
<b>Minimum HRA Balance</b>	£26 million	Minimum balance of £21m representing 3 months cashflow and an additional £5m to reflect economic uncertainty and risk exposure. Inflated by CPI throughout the plan.
<b>Rental Income (Dwellings)</b>	CPI + 1%	7.7% increase in 2024/25, 3% 2025/26-2027/28, 2% thereafter.
<b>Rental Income (Non Dwellings)</b>	CPI	6.7% 2024/25, 2% thereafter
<b>Voids</b>	30 days	Target of reducing void turnaround to 50 days in 2024/25 and 30 days thereafter
<b>Pay Award</b>	Capped at 5%	Pay inflation uplift capped at 5% in 2024/25
<b>Bad Debt</b>	1%	Equates to £1.5m in 2024/25
<b>Interest on Borrowings</b>	4%	Existing loans of £245m are on various fixed rates (average 4.6%). Additional borrowing modelled per advice from Treasury based on the year incurred:- 2024/25 – 5% 2025/26 On -4%
<b>Minimum Interest Cover (ICR)</b>	1.25	ICR target of 1.25 met across the life of the plan
<b>HRA Debt Balance</b>	N/A	Opening Balance £245m. Estimated position at the end of the plan £1,412m
<b>Debt Repayment</b>	30 – 50 Years	Debt repayment starts in 2025/26 with £15m set aside for repayment over the course of the MTFP
<b>Right to Buy (RTB's)</b>	N/A	100 RTB's modelled in 2024/25, reducing by 10 per year until 2029/30, thereafter 50 per year assumed

<b>Major Repairs Reserve (MRR)</b>	£10m	Minimum balance within the HRA £10m
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## **8 HRA Business Plan Sensitivities**

8.1 The key sensitivities of the HRA are detailed below:

### *Rent Increase*

8.2 The Government Rent Standard of September CPI + 1% has been applied for the 2024/25 business plan which results in a rent increase of 7.7% to take effect from April 2024

### *Inflation*

8.3 As rent increases are driven by inflation, a higher level of CPI would be of benefit to the plan due to the differential between rental income and costs. A 0.5% increase in CPI over the life of the plan would increase HRA reserves by circa £240m and reduce peak debt in the region of £63m.

However, as with the 2023/24 Business Plan, price and material increases are having significant effect on stock investment and development 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 are continuing to cover materials and contract price increases. A small percentage increase in inflation against capital expenditure 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 £2.6 million and borrowing cost will increase annually by £0.1 million. If inflationary pressures are 1% higher for a period of 5 years, then reserves will be reduced by £47m and peak debt increased by £70m.

### *Interest rate on borrowings*

8.4 Existing loans are all at fixed rates and not subject to interest rate risks. However, for every £1 million of additional borrowing from 2024/25 onwards, there would be an increase in interest payable of circa £50,000 (£40,000 thereafter) per year. We are planning to borrow £186m in 2024/25, resulting in £9.3m per year interest payment.

### **HRA & MRR reserves balances**

8.5 The core HRA reserve balance is maintained at the minimum of £26million (plus inflation) and increases to a projected balance of circa £263million in 30

years. Financing of the Council's investment programme is primarily via the Major Repairs Reserve funded by the annual depreciation charge, 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.

## **9 Key Changes to the HRA Financial Model**

9.1 Rent increases are projected at CPI plus 1% up to 2027/28 (year 4). The remaining years in the plan assume rent will increase at CPI only. Void rates have been reduced within the plan to reflect the need to reduce void turnaround times to 50 days in 2024/25 and 30 days in 2025/26. Bad Debt provision of 1% have been modelled throughout the plan, based on target performance.

9.2 It is anticipated that rent increases will be affordable for residents 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 2024/25. Residents who receive no state assistance would see typical rent increases of approximately £26.35 per month.

## **10 Changes impacting on the HRA capital and other expenditure**

10.1 Interest on borrowing is modelled at an average of 5% in the 2024/25 of the plan before reducing to 4% from 2025/26 onwards. Inflationary increases (CP1) in the business plan are modelled at 6.7% in 2024/25, 2% thereafter. This reflects current the current and forecast wider economic position.

## **11 HRA Capital Programme**

11.1 The capital programme in the model for Housing Investment Plan (HIP) expenditure (including 2023/24) totals £1.8 billion. The business plan has increased the expenditure derived from the HIP to allow for inflation and a reduction in stock numbers.

11.2 New Build & Acquisition projected expenditure over the life of the business plan including 2023/24 is £3.1 billion.

## **12 National and local policies that can impact the HRA Business Plan**

12.1 Government priorities to; improve building and fire safety, landlords' approach to tackling damp and mould, environmental and energy efficiency standards (EPC C by 2030), New Social Housing Consumer Standards & more proactive regulation are having a significant impact on the investment demands of our existing homes.

- 12.2 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.
- 12.3 The HRA debt cap has been removed and the plan demonstrates that significant borrowing is required to invest in stock and increase housing supply in Bristol. The HRA is also exposed to interest rate fluctuations in so far as the borrowings required by the plan have not yet been arranged and fixed. This could have a significant impact on revenue budgets, future borrowings, and the overall business plan if rates were to remain much higher for much longer than currently anticipated.
- 12.4 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. The next financial year (2024/25) is officially the last year of the current arrangements. However there has been no discussions around future rent setting proposals, and it is currently widely expected that these arrangements will continue as they are in the medium term. This is reflected in the Business Plan assumptions.
- 12.5 Although the economy is in a more stable position than 12 months ago with inflation falling and a cut to interest rates widely expected in the next year, there remain risks around the possibility of economic recession and external factors continuing to fuel higher than estimated inflationary pressures. These risks, coupled with the impact of the economic crisis that have been baked into the economy could increase the likelihood of non-collection of rents and may, consequently result in elevated levels of rent arrears and bad debt.
- 12.6 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.
- 12.7 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.
- 12.8 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. The current level of the cost of borrowing, coupled with rising construction costs from high inflation continues to make the viability of capital projects extremely challenging.
- 12.9 The risks associated with the HRA Business Plan can be found in Appendix D.



## **Appendix A2: Housing Investment Plan (HIP) – 2024/25**

### **Introduction**

This Appendix sets out the proposed capital and revenue baseline budgets for the maintenance and investment in our homes for 2024/25 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 in the region of c.77,000 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 (57 over 18m) 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, electrical testing, water and lift safety
- the Regulator of Social Housing consumer and homes standards
- emerging responsibilities from the social housing white paper and changing building regulations.

This current year has seen further 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 24/25. 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.

### **Fire safety**

Fire doors

Fire safety works – compartmentation, lockable boxes and signage.

Fire safety: In 2023/24 we have been delivering a new Fire Safety inspection programme, following new regulatory requirements. 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. These detailed inspections will continue to identify fire safety works to our homes.

Early reports received concluded that the presence of Expanded Polystyrene System (EPS) elevates the fire safety risk in the buildings. This, along with fire safety experts recognising the risks of EPS cladding and two significant fires, in particular the fire at Ecclestone House where the assessment was that the (EPS) cladding in the stairwell contributed to the spread of fire all led to a significant change in approach to managing fire safety in Bristol.

**EPS (expanded polystyrene) cladding removal** - A programme has been developed to remove all EPS cladding over the next 10 years, costs are estimated at £63.5m.

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 33 blocks where there are concerns about the cladding (the figure has reduced from 38 as EPS cladding has now been removed from 5 blocks). Where interim measures are needed for longer, we are installing fire alarms. A cost of £2.1m is anticipated in 2024/25 for Waking Watch. This is based on all new Fire Alarm systems being installed by September 2024 (see below bullet point) and all Waking Watch being removed by November.

**Fire alarms** - installing Simultaneous Evacuation Alarms in all flats affected acts as an interim measure, and as an alternative to waking watch. Where 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 cladding is scheduled to take longer, we will replace the Waking Watch with an alarm system. A total cost of £8.7m (including 23/24) was anticipated for installing fire alarms across blocks where longer-term measures will be needed. The alarms are expected to be installed by September 2024. The proposed budget for 2024/25 is £2.5m which will fund the remaining systems not installed during 2023/24.

**Sprinklers** – a sprinkler installation programme across all 62 high-rise blocks has been agreed and the proposed costs allow for the installation of these sprinklers over a 4-year period totalling £28.7m. The proposed budget for 2024/25 is £6.2m compared with 2023/24 which is £1.86m. The sprinkler installation programme will be completed by 2027/28.

**Fire Door Replacement Works** - A fire door replacement programme has been agreed, over a 7-year period at a total cost of £6m.

### **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 removal programme.

### **Energy Efficiency**

We will continue delivering on the commitment 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. The investment includes contributions from BCC of: £11m in 2024/25, £76m in the first 5 years of the plan and a total of £100m up to 2030/31. This will help us to work towards a target of all homes reaching a minimum EPC of C by 2030 and Net Zero Carbon. Further funding is likely to be required to ensure all homes meet EPC C and will require further grant funding being made available from central government.

### **Bathrooms**

A new 2 +2 year framework agreement has been put in place to modernise c. 600 bathroom's each year, over a maximum of 4 years.

Additional plans are being put in place to modernise bathrooms on a 15-year programme, costing £83m. The stock condition survey programme will inform the condition, remaining life of bathrooms and influence future programme required.

**2024/25 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.

<b>Capital / Revenue</b>	<b>2023/24 baseline budget</b>	<b>2024/25 baseline budget</b>
Capital	£69,756,160	£91,232,727
Revenue	£39,969,517	£44,292,390
<b>Total</b>	<b>£109,756,677</b>	<b>£135,525,117</b>

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 Homelessness to procure and award contracts during 2024/25, 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) – 2024/25 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 by maximising the use of the internal workforce, complemented by external contractors.
- 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 Services and Energy.

Value for money will be achieved by:

- Maximising the use of our own workforce, including overtime.

Where contractors are required:

- 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) – 2024/25**

**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.**

<b><u>Programme / Project</u></b>	<b><u>Duration (where a range is included this will be informed by analysis of best route to market and best value)</u></b>	<b><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></b>	<b><u>Approach to Market</u></b>
<b>Response Repairs contracts</b>			
Roofing Repairs – responsive / ad-hoc repair or replacement of roofs on domestic two/three storey dwellings. To include scaffolding	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.	£1.5m per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £9m	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
Scaffolding – provision of scaffolding for jobs undertaken by BCC internal trade teams	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.	£150k per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £900k	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
Asbestos Testing	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.	£330k per annum estimated expenditure across Planned / Response / Relets	Current contract DN180355 ends Feb 2025. 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.

Asbestos Removal	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.	Estimated £700k per annum across Response / Relets / Planned Maintenance	Current contract DN595742 ends 31/10/2025. 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.
Drainage	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.	Estimated value of £1.7m per annum across Response / Relets / Planned Maintenance	Current contract DN435689 ends 31/12/2024. 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.
Removals / Storage – where tenants are decanted from properties to enable repair works to be completed	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.	£100k per annum across Response / Relets / Planned / Estates	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
Materials – used by BCC operatives to undertake repairs, void and planned works	Extension of value	£5m to cover the one year extension to April 2025 in the existing arrangement	The existing arrangement DN690725 has been extended to April 2025. The value remaining is unlikely to last this long due to inflation and £1m of use by the Energy Infrastructure Team. We seek permission to extend the value whilst a new procurement exercise is undertaken for a long term replacement.
Materials - used by BCC operatives to undertake repairs, void and planned works	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.	Estimated £6.5m per annum for Response / Relets / Planned. Figure could be uplifted if other non-HRA teams wish to utilise this contract	To replace DN690725. 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
Structural Repairs – specialist contractor to deliver structural type repairs	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.	£100k per annum across Response / Relets.	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 Compliance Surveys / Checks to all fire doors	2 Years (plus possible 1 year extension)	£850k per annum.	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
Waste Tipping – Tipping of waste from repair / relet works	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.	£500k per annum	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
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.	£600,000 per annum estimated expenditure. The total anticipated maximum expenditure based on 4 years, plus 2 year extension is: £3,600,000.	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.

## M&E contracts

Laundry upgrades: Lansdowne, Mill House, Easton Road, Button Close, Juniper Close	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 framework, but with other PCR compliant routes being adopted where considered to be appropriate.
Communal rewires: Twenty Acres	Estimated contract duration of 12 months.	£500,000 estimated expenditure	The route to market will be determined following a market assessment / appraisal, with a preference for open tender.
Provision for sprinkler replacement for 9 blocks  Holyroyd House, Polden House, Broughton House, Yeamans House, Brookridge House, Barlands House, Moorfields House, Twinnell House, Brandon House	Estimated contract duration of 12 months.	Total budget £5.3m for the 9 blocks to be procured in 24/25	Will be packaged together as two lots.  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 Waring House x4 lifts	Estimated contract duration of 12 months	Total estimated value £1,000,000	Will look to be onsite Jan 25 after Spencer Patterson and Proctor are completed. Anticipate to spend £500,000 of the total value in 24/25.



<p>Door entry upgrades for fibre pilot, entrance door replacements</p> <p>Westley Park and Vincent Close – Door Replacement</p> <p>Handset Replacement – 10 sites to be changed due to current system spares no longer available. Gatcombe Road and Clifton Vale to be changed</p>	<p>Estimated contract duration of 12 months</p>	<p>Total estimated value £113,000</p> <p>£80,000 on door replacement</p> <p>£33,000 on handset replacements</p> <p>All to be completed in 24/25</p>	<p>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.</p>
<p>Copper Phone Line Upgrade</p> <p>Various sites – 43 blocks in total. Can provide all sites if required. Budget included in Warden Call and Door Entry</p>	<p>1 Year</p>	<p>£78,050 Year – 23-24</p> <p>£78,050 – 24-25</p>	<p>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.</p>
<p>Fire Alarm Maintenance Contract</p>	<p>4 Years</p>	<p>Contract value will increase as more alarm systems are installed. Once all alarms installed anticipate £70,000 for known maintenance costs and £30,000 for reactive works. This has been calculated from current fire alarm contract but unknow reactive works as no current data to benchmark of.</p>	<p>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.</p>
<p>Sprinkler Maintenance Contract</p>	<p>4 Years</p>	<p>£700,000</p>	<p>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.</p>

## Planned and Cyclical Programmes

<p>Window Replacement Framework (Lot 2 Projects – call offs / mini tenders)</p> <p>Project addresses at present are – 106 &amp; 106A Bell Hill Road,19 Chelsea Road, 11 Greencroft,</p>	<p>Call off contracts from the current framework in place for the next 3 + 1 years</p>	<p>£1,500,000 total estimated programme spend for coming year</p>	<p>Mini tenders using Lot 2 of the BSH/ HRA Windows Replacement Framework to cover window replacement works to deliver the 2024/25 programme.</p>
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<p>5 Meg Thatchers Gardens, 3A Eden Grove, 42 Bonnington Walk,85 Coleford Road, 43 Lydney Road, 14 Blaisdon Close, 19 Monsdale Drive, 66 Swanmoor Crescent, 60 Richmond Villas, 15 Antona Court, 19 Woodview Close, 23 &amp; 25 Ridingleaze, 37 Aylminton Walk, 583 Long Cross, 1 Roman Farm Court, 195 Allison Road, 15 Nailsea Close, 50 Wrington Crescent, 215 Gatehouse Avenue, 415 Bishport Avenue, 31 Crosscombe Walk,19 Chelvey Close, 1 Barbour Gardens, 2 Raglan Place, 197 Hillside Road, 71 The Nursery, 74b Marshfield Road, 25 Downman Road, 35 Faber Grove</p> <p>Further project addresses may be added as a result of referrals or works within the Window Replacement Programme based on changing property condition</p>			
<p>Fire Safety Works Assessments &amp; 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, Maskelyne 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.</p>	<p>Individual projects – call offs from current DPS in place for next 2 years</p>	<p>£2,125,000 total for this year's projects</p>	<p>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.</p>

DPS 2024

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<p>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, Whitemead, Winterstoke and any improvements to other blocks as identified by Fire Risk</p>			
<p>Fire Safety Works, Fire Door Works, Assessments &amp; Independent Checks and Mobility Scooter Stores This is part of the ongoing programme of Fire Safety works which started in 2012. Vincent Cl, Robin Cl, Mercer Ct, Manor Farm, Bishopthorpe Rd, Butterfield Rd, Maskelyne 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, Barwick, Sedgewick, Southbow, Whitemead, Winterstoke and any improvements to other blocks as identified by Fire Risk Assessments</p>	<p>New 4 year (3+1) framework</p>	<p>The new framework total anticipated maximum expenditure based on 4 years, is: £20,000,000.00</p>	<p>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.</p>
<p>External &amp; Communal Maintenance (Lot 3 Projects – call offs / mini tenders) Project addresses at present are – <i>Freeling House, Aston House, Chatterton House, Plimsoll House, St Matthias House, Elton House, Elbridge House, Whitson House,</i></p>	<p>Call of tenders from the new framework.</p>	<p>£1,000,000.00 total estimated spend for the Lot 3 call offs from this contract for the coming year</p>	<p>Mini tenders using Lot 3 of the External &amp; Communal Maintenance Framework to cover combined works that can include External Maintenance &amp; Painting, Communal Maintenance &amp; Painting, Replacement Windows &amp; Replacement Roofs to deliver the 2024/25 External Maintenance Programme.</p>

<p><i>Canynge Hse, Gloucester House, Somerset House, Wessex House, 1-48 Hillsborough Flats, 22-104 Humberstan Walk flats,</i></p> <p>Further project addresses may be added as a result of referrals or works within the External Maintenance Programme requiring combined works, and based on changing property condition</p>			
Kitchen Refurbishment & Rewire contract	New 4 year (3+1) contract	The new contract total anticipated maximum expenditure based on 4 years, is: £24,000,000	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.
Wayfinder Signage	DPS. The contract runs for 1 year with a 1 year extension option	£185,000 total estimated programme spend for coming year	The route to market preference is to call off from the existing DPS to deliver Fire Safety signage works for 2024/25 programme
UPVC window replacement	New 4 year (3+1) contract	The new contract total anticipated maximum expenditure based on 4 years, is: £5,000,000.	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
<b>External Maintenance and Refurbishment High Rise Projects</b>			
Lansdowne, Poutney & Vining	2 years	Estimated £6.5m over 2 years	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.
Moorfields	2 years	£3.1m over 2 years	As above.
Croydon	2 years	£3.3m over 2 years	As above.

Rawnsley	2 years	£4.5m over 2 years	As above.
Barlands & Brookridge	2 years	£11.1m over 2 years	As above.
Castlegate	2 years	£4m over 2 years	As above.
Dove Street	7/8 years	£35m over up to 8 years	As above
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			
<b>Specialist Projects / Conversions</b>			
Refurbishment of 4 blocks of low-rise flats at Vincent Close, Lawrence Weston (67 flats)	3 years	£6.9m	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 the provision of Conversion, Refurbishment and Specialist Minor Works - refurbishment projects across housing property types where major specialist repairs are needed.	4 Years (3+1)	Estimated annual framework value <b>Lot 1</b> Conversion, Extensions, Refurbishment, Adaptations £765,000 per annum. <b>Lot 2</b> Enabling/investigation works £85,000 per annum. <b>Lot 3</b> Specialist Repair Work £1,000,000 per annum. The total anticipated maximum expenditure based on 4 years £7,400,000	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 procurement compliant routes being adopted where considered more appropriate.
<b>Other projects (Accessible Homes, Asset Management, Tenancy Management, Health and Safety)</b>			
New adaptations in both council properties and private properties (including owner occupiers, private rented and Housing Association), to include repairs to specialist adaptations in council stock.	4 years (3+1)	Estimated £4m per annum for HRA (£3m adaptations, £1.2m repairs) and £3.5m per annum for DFG. Total request = £7.7m per year x 4 = £28.8m)	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.

Mediation contact	1 year with 1 year extension	38K per annum	There is a one-year break clause, if we decide to continue, we will need to complete a PRF and extend for a further year
Tow away car scheme (on HRA land)	1 year trial initially. With a longer-term contract sought following this (from 3 – 5 year)	70K	Expressions of interest.
Tenant Energy Advice Service	4 years (2+1+1)	Estimated ~£600,000 or £150,000 per year	The route to market would be via an open tender competition.

## Capital

Planned & Cyclical	5-year investment plan					Budget Setting Notes
	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	
Works	£	£	£	£	£	Notes
P13621-1006 - Planned Programme - Kitchen Contract	£5,180,000	£5,157,800	£4,942,608	£4,942,608	£4,942,608	Contractual amount of 700 kitchens in yrs 1 and 350 in year 2 P1-P6. New contract from P7 of year 2 where 347 kitchens required (total 697 for year 2). Year 3 onwards 92% of due date volumes. Costs applied £6500 for kitchens. 20% of yearly totals included for rewires at additional cost of £4500. These costs spanning from year 3 – year 30. yr 1-5 are replicated across years 26-30 as lifecycle is 25 years. indices uplift not applied as this is not known until October.
P13621-1007 - Planned Programme - Rewires Contract	£2,976,750	£2,976,750	£2,976,750	£500,850	£500,850	Allow 10% of EICR's to result in rewire during years 1-3 and 2% from year 4 onwards - based on 6300 in yrs 1-3 & 5300 in yrs 4-30.
P13621-1012 - Planned Programme - Roofs Replacement	£2,008,200	£1,877,915	£1,877,915	£1,877,915	£3,885,200	CARRY OVER - 1 BLOCK PITCHED ROOF - BRENTY LODGE (LISTED BUILDING) £50,000.00 1 BLOCK PITCHED / FLAT ROOF - ARNCLIFFE £400,000.00 59 HOUSES @ £9800.00 £578,200.00 100 REFERRALS @ £9800.00 £980,000.00 CITY LEAP 1 BLOCK - ELBRIDGE HOUSE (619m2) @ £200 PER m2 £123,800.00 Total = £2,008,200 / 187 dwellings (year 1) - avg £10,739 per roof. Year 2-4 -173 roofs x 10,855. £1877915 per year. Year 5 onwards, due dates x 24/25 component costs.

P13621-1013 - Planned Windows - Houses & House Type Flats	£1,310,100	£1,287,650	£1,287,650	£1,287,650	£1,287,650	Year 1 - based on 103 walk ups @ £4000 (£412,000), 20 x walk up timber sash @ £10,750 (£215,000) and 47 walks ups at Hillsborough @ £8149 (£383,003), plus 50 referrals @ £6,000 (£300,000). Total year 1 = £1,310,003. Year 2 - 5 £1,287,650 a year based on 361 dwellings. Year 6 - 30 based on 24/25 component costs x due dates.
Windows City Leap - new budget	£3,130,092	£855,000	£0	£0	£0	Windows City Leap -  Year 1 - £2,775,092 for 260 dwellings (£10,673 per dwelling) Plus 71 x walk up at £5000 = £355,000 so total is £3,130,092  Year 2 - 171 walk ups at £5000 = £855,000. No further request beyond year 2 at present.
P13621-1016 - Cavity Wall & Insulation	£150,000	£220,000	£0	£0	£0	Averaging £500 for a loft insulation. £5k for cavity wall.  Loft insulation = 150 @ £500 £75,000.00 Cavity Wall Insulation = 15 @ £5k £75,000.00  Costs moved forward a year to 24/25 due to procurement of new contract
P13621-1018 - Fire Doors	£1,702,500	£1,744,000	£500,000	£500,000	£500,000	Joinery shop based on current costs £475,000.00 Est 10% inflation costs materials/ energy £47,500.00 Joinery shop overtime ( inc 5% increase) £80,000.00 In-house fitting recharges ( inc 5% increase) £400,000.00 Making good, decs, locks, signs, supplies etc. £75,000.00 Joinery shop overhead recharges £125,000.00 External supplied and fitted doors £450,000.00 Sub Total £1,652,500.00. 24/25 - base = £1,652,500 + 50,000 at per 09/10/23 meeting = £1,702,500  As per meeting between RJ and ML 9/10/23: 25/26 - base = £1,694,000 + £50,000 as per 09/10/23 meeting = £1,744,000  Add in £500k from 26/27 for 5 years.



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P13621-1020 Mobility scooters	£100,000	£100,000	£100,000	£100,000	£100,000	Subject to staffing resources. £100k per year additional agreed to be added for years 1-5.
	<b>£16,557,642</b>	<b>£14,219,115</b>	<b>£11,684,923</b>	<b>£9,209,023</b>	<b>£11,216,308</b>	

M&E / Heating	5 year investment plan					
	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	Budget Setting Notes
Works	£	£	£	£	£	Notes
P13621 - 1021 - Planned Programmes - Bathroom Replacement	£2,500,000	£5,905,351	£5,905,351	£5,905,351	£5,905,351	
P13621-1002 - Heating Replacement	£2,422,100	£2,371,800	£2,282,100	£2,608,200	£2,772,600	
P13616-1004 - M&E Investment in Blocks - Laundries	£270,000	£315,000	£240,000	£270,000	£330,000	Year 1 24/25 costs: 24/25 Year 1 - to include Mill House (£40k), Button Close (£40k), Henacre (remaining £50k), Lansdown (£70k), Easton Road (£70k). Estimated Salary and material charges (£87,129). Total = £357,129. Year 2-30 based on updated costs small (£40k), medium (£50k), large (£70k). Programme extended by 6 years. Salary and material charges not included in years 2-30.

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Brunata Heat Unit Replacement	£465,000	£465,000	£0	£0	£0	Come down in cost. Each year need £465k going forward. This is a 3 year programme ending 25/26. Forecast £465k this year, this is an underspend not slippage.
P13616-1002 - M&E Investment in Blocks - Communal Rewires & Electrical Works	£1,542,805	£2,575,000	£2,630,610	£1,987,500	£1,217,500	On site but will complete in 24/25 Winterstoke £228k, complete in Whitemead (£50k), Gaywood and Gladstone £70k, starting Hill house at start of end of Feb 24', will be £300k, but this will be spent in 24/25. Twenty acres, this is external lighting £500k for 24/25. Salaries £242k. Materials £97k. Total £1.524,805.
P13616-1003 - M&E Investment in Blocks - Door Entry	£113,000	£120,000	£120,000	£398,000	£390,000	£113k required for 24/25. £80k for main door entry at Gaywood House, and replacing doors Westley Park. £30k for replacing 10 x handset systems. This year completing Kingsley House, forecast spend £87k. Had to also replace door entry at Vincent Close £3k. Think that budget after 24/25 will also be increased. As below, £54k to be added to this budget.
P13616-1005 - M&E Investment in Blocks - Boiler & Plant	£230,000	£200,000	£200,000	£150,000	£100,000	£230k request for 24/25. Not upgrading at the moment as awaiting new heating strategy. Need to update figs to £230k.
P13616-1006 - M&E Investment in Blocks - Lifts	£1,200,000	£1,200,000	£1,200,000	£1,671,644	£3,009,000	
P13616-1048 - Night Storage Replacement plus sunamp replacing hot water cylinders	£2,451,554	£2,177,207	£2,052,373	£2,018,312	£2,076,702	Year 1 - 371 x £4,357 (£1,616,447). Year 2 - 6 - 308 x £4,537 (£1,341,956). Year 7 onwards - due date x £4,347. Plus sunamp (replacing hot water cylinders) Yr 1 - £835,251 Yr 2 - £835,251 Yr 3 - 710,417 Yr 4 £676,356 Yr 5 £734,746

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P13616-1059 - Fire Sprinklers installation programme	£6,205,644	£9,533,832	£5,558,357	£7,392,404	£0	
P13616-1058 - Fire alarms installations	£2,500,000	£0	£0	£0	£0	The proposed budget for 2024/25 is £2.5m which will fund the remaining systems not installed during 2023/25.
Barton Hill carpark gates - putting bollards in. - new budget	£140,000	£0	£0	£0	£0	

<b>£20,040,103</b>	<b>£24,863,190</b>	<b>£20,188,791</b>	<b>£22,401,411</b>	<b>£15,801,153</b>
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Major Projects	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	Budget Setting Notes
Works	£	£	£	£	£	Notes
P13616-1012 - Blocks - Contingency	£100,000	£100,000	£100,000	£100,000	£100,000	
P13621-1017 External Repairs - Subtotal (See Repairs page for individual costs)	£2,805,000	£6,780,000	£9,750,000	£7,250,000	£6,170,400	

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Major Refurbishment Subtotal - (See next page for individual budgets)	£18,330,000	£16,300,000	£16,150,000	£12,295,450	£10,226,250	
P13616-1038 - Blocks - Window Servicing	£100,000	£100,000	£100,000	£100,000	£100,000	
	<b>£21,335,000</b>	<b>£23,280,000</b>	<b>£26,100,000</b>	<b>£19,745,450</b>	<b>£16,596,650</b>	

MP - External Repairs						
Breakdown of projects under External Repairs headline cost	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	, including design option
Subtotal>	<b>£2,805,000</b>	<b>£6,780,000</b>	<b>£9,750,000</b>	<b>£7,250,000</b>	<b>£6,170,400</b>	
	£1,500,000	£80,000	£0	£0	£0	Gilton House YEF for 23/24 reduced to £770K. Slippage moved to 24/25 of £1.5M and retention release of £80k in 25/26
	£70,000	£0	£0	£0	£0	Corbett House : YEF for 23/24 is £1.1M and retention of £70k for 24/25
	£35,000	£0	£0	£0	£0	Roegate House : YEF for 23/24 is £675K with retention of £35k for 24/25

P13621 - 1017: External Major Repairs to Blocks

	£500,000	£0	£0	£0	£0	Proctor and Patterson House
	£0	0	£1,950,000	£1,950,000	£0	Butler House
	£300,000	£2,500,000	£2,200,000	£0	£0	Lansdowne, Pountney & Vining
	£0	£100,000	£1,500,000	£1,500,000	£1,500,000	Moorfields
	£100,000	£1,600,000	1,600,000	£0	£0	Croydon House
	£0	£0	£300,000	£3,800,000	£3,500,000	Barlands & Brookridge House
	£0	£0	£0	£0	£1,170,400	Holroyd House
	£300,000	£2,500,000	£2,200,000	£0	£0	Castlegate House

<b>MP - Major Refurbishment</b>
<b>Breakdown of projects under Major Refurbishment Headline cost</b>

<b>Year 1 - 2024 to 2025</b>	<b>Year 2 - 2025 to 2026</b>	<b>Year 3 - 2026 to 2027</b>	<b>Year 4 - 2027 to 2028</b>	<b>Year 5 - 2028 to 2029</b>	<b>Budget Setting Notes</b>

<b>Subtotal&gt;</b>	<b>£18,330,000</b>	<b>£16,300,000</b>	<b>£16,150,000</b>	<b>£12,295,450</b>	<b>£10,226,250</b>	
P13616-1049 - Major Refurbishments - Silcox Road	£80,000	£0	£0	£0	£0	
P13616-1043 - Investment in blocks - Walwyn Gardens	£2,750,000	£50,000	£0	£0	£0	Budget for 24/25 forecast at £2.75M with £50k retention for 25/26
P13616-1045 - Barton Hill refurbishments (Ashmead, Longlands & Harwood)	£3,300,000	£5,000,000	£5,000,000	£3,000,000	£0	
P13616-1052 - Barton House	£600,000	£0	£0	£0	£0	
P13616-1047 - Major Refurbishments - Ecclestone & Phoenix	£100,000	£0	£0	£0	£0	
P13616-1046 - Major Refurbishments - Bishport 5	£3,850,000	£150,000	£0	£0	£0	
P13616-1035 - Ropewalk House	£1,400,000	£2,200,000	£450,000	£0	£0	

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P13616-1055 - Francombe, Underdown and Waring	£1,500,000	£4,500,000	£4,500,000	£3,900,000	£0	
P13616-1056 - Northfield House	£2,150,000	£0	£0	£0	£0	
P13616-1053 - Beaufort House	£600,000	£2,400,000	£2,200,000	£0	£0	
P13616-1054 - Major refurbishment - Dove Street (seven blocks)	£2,000,000	£2,000,000	£4,000,000	£5,000,000	£6,000,000	
St Peters House - new budget for 28/29	£0	£0	£0	£0	£1,000,000	
Brandon House - new budget for 28/29	£0	£0	£0	£0	£1,076,250	
Berchel House - new budget for 27/28	£0	£0	£0	£395,450	£0	
Carr House - new budget for 28/29	£0	£0	£0	£0	£1,500,000	
Vining Walk - new budget for 28/29	£0	£0	£0	£0	£500,000	
Walker Close - new budget for 28/29	£0	£0	£0	£0	£150,000	

SHDF						
	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	Budget Setting Notes
Energy efficiency works (SHDF) - Easiforms P15793-1005	£3,861,215	£0	£0	£0	£0	
Energy efficiency works (SHDF) - London Road - P15793-1003	£420,560	£0	£0	£0	£0	
Energy efficiency works (SHDF) - Ledbury Road - P15793-1001	£2,892,021	£4,126,755	£0	£0	£0	
Energy efficiency works (SHDF) - JCH, Haviland, Charelton, Langton and Tyndall - previously separate budgets for JCH and Haviland so change required to set up P15793-1006	£3,000,000	£7,000,000	£4,000,000	£3,000,000	£0	



Energy efficiency works (SHDF) - Littlecross House - P15793-1002	£1,000,000	£3,500,000	£3,500,000	£0	£0	
Non Allocated Energy Efficiency Funding	£0	£7,932,425	£10,000,000	£10,000,000	£12,000,000	
	<b>£11,173,796</b>	<b>£22,559,180</b>	<b>£17,500,000</b>	<b>£13,000,000</b>	<b>£12,000,000</b>	

<b>Accessible Homes</b>						
	<b>Year 1 - 2024 to 2025</b>	<b>Year 2 - 2025 to 2026</b>	<b>Year 3 - 2026 to 2027</b>	<b>Year 4 - 2027 to 2028</b>	<b>Year 5 - 2028 to 2029</b>	<b>Budget Setting Notes</b>
<b>Works</b>	£	£	£	£	£	Notes
**P13615-1001 - Adaptations	£3,000,000	£3,000,000	£3,000,000	£3,000,000	£3,000,000	
	<b>£3,000,000</b>	<b>£3,000,000</b>	<b>£3,000,000</b>	<b>£3,000,000</b>	<b>£3,000,000</b>	

<b>Repairs &amp; Maintenance</b>						
	<b>Year 1 - 2024 to 2025</b>	<b>Year 2 - 2025 to 2026</b>	<b>Year 3 - 2026 to 2027</b>	<b>Year 4 - 2027 to 2028</b>	<b>Year 5 - 2028 to 2029</b>	<b>Budget Setting Notes</b>

Works	£	£	£	£	£	Notes
P13614-1004 - Kitchens - Relets	£1,916,000	£1,916,000	£1,916,000	£1,916,000	£1,916,000	Estimated Annual Volume - 345 - Cost Per Item - £5,554 - Budget Request - £1,916,130. We are hoping to deliver to these kinds of volumes now we have reduced the relet spec and are doing less full replacements than in previous years.
P13614-1005 - Rewires - Relets	£1,017,000	£1,017,000	£1,017,000	£1,017,000	£1,017,000	Estimated Annual Volumes - 300 - Cost Per Item - £3,390 - Budget Request - £1,017,000. We are hoping to deliver to these kinds of volumes now we have reduced the relet spec and are doing less full replacements than in previous years.
P13614-1006 - Bathrooms - Relets	£1,200,000	£1,200,000	£1,200,000	£1,200,000	£1,200,000	Estimated Annual Volume - 300 - Cost Per Item - £4,000 - Budget Request - £1,200,000. We are hoping to deliver to these kinds of volumes now we have reduced the relet spec and are doing less full replacements than in previous years.
	<b>£4,133,000</b>	<b>£4,133,000</b>	<b>£4,133,000</b>	<b>£4,133,000</b>	<b>£4,133,000</b>	

Asset Management & Review	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	Budget Setting Notes
Works	£	£	£	£	£	Notes
P15541-1002 - Energy Efficiency	£0	£7,932,425	£10,000,000	£10,000,000	£12,000,000	£80m for energy efficiency projects agreed following the Big Housing Conversation. Budget for years 1 - 3 reduced in line with the allocation from SHDF totalling £14,067,575. Year 1 (£5m) and and Year 2 (£7m) 0'd and remaining £2m taken from £10m allocation in year 3.
Decent Homes - contingency - new budget	£0	£500,000	£500,000	£500,000	£500,000	

£0	£8,432,425	£10,500,000	£10,500,000	£12,500,000
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Specialist Projects Team	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	Budget Setting Notes
	£	£	£	£	£	Notes
P15312-1001 - Extensions & Conversions to Voids	£300,000	£300,000	£300,000	£0	£0	
P13614-1001 - Acquires	£300,000	£300,000	£300,000	£300,000	£300,000	Works to Acquired properties at Relet - reactive budget addressing structural issues predominately. Existing budget allocation maintained.
P13614-1002 - Structural Works to HRA Properties	£1,100,000	£1,100,000	£600,000	£600,000	£600,000	
P13619-1008 - Environmental Improvement	£137,500	£137,500	£137,500	£137,500	£137,500	Framework has been signed off, will run for 4 years, starting this month (sept 23')
P13619-1007 - Neighbourhood Investment	£462,500	£462,500	£462,500	£462,500	£462,500	Framework has been signed off, will run for 4 years, starting this month (sept 23')

P13621 - 1019 - Retrofit Pilot Projects	£323,000	£0	£0	£0	£0	
P15813-1001 - Vincent Close Major Refurbishments	£3,450,000	£3,450,000	£0	£0	£0	Investment options agreed following Opt appraisal by LSH. To be completed by Special Projects team (previously major projects).
	<b>£6,073,000</b>	<b>£5,750,000</b>	<b>£1,800,000</b>	<b>£1,500,000</b>	<b>£1,500,000</b>	

Other Works	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	Budget Setting Notes
	£	£	£	£	£	Notes
P13618-1003 - Disposal Costs	£75,000	£75,000	£75,000	£75,000	£75,000	Budget covers telecom consultant fees and service charges plus valuation reports where specialist advice is needed.
P15258-1001 - Planned - Asbestos Management	£137,000	£137,000	£46,600	£46,600	£46,600	Starting reinspection programme imminently £137k from now until end of march. Next financial year 24/25 £137k. Will be some annual re-inspections going forward (about 10%), the rest will be on a 3 yearly reinspection programme. Propose £137k for 24/25. Think that 25/26 going forward. Propose that reactive asbestos works stay in this budget and a new revenue budget is set up for management surveys going forward.

P15819-1001 - Parks & Play Area Refurbishment	£800,000	£0	£0	£0	£0	
	<b>£1,012,000</b>	<b>£212,000</b>	<b>£121,600</b>	<b>£121,600</b>	<b>£121,600</b>	

Additional Investment in blocks						Budget Setting Notes
	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	
Improvements to blocks, communal areas and estates	£184,424	£438,374	£1,200,224	£0	£0	
Waste and Recycling facilities	£204,000	£204,000	£204,000	£0	£0	Additional investment in blocks budget, from £204k per year from 23/24 to 26/27 (4 years). Budget for improving waste and recycling facilities. Part of the £2.05m per year additional investment funding. Agreed following consultation.
Safety and CCTV	£327,500	£327,500	£327,500	£0	£0	Upgrade to cctv across the city. budget sits with Estates but being delivered by M&E. No spend for 23/24 budget, will slip into 24/25.
	<b>£715,924</b>	<b>£969,874</b>	<b>£1,731,724</b>	<b>£0</b>	<b>£0</b>	

Salaries						Budget Setting Notes
	Year 1 - 2024 to 2025	Year 2 - 2025 to 2026	Year 3 - 2026 to 2027	Year 4 - 2027 to 2028	Year 5 - 2028 to 2029	
Works	£	£	£	£	£	Notes

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**P13612-1001 - Staffing Allocation - Planned Programme	£6,805,020	£7,940,939	£6,922,833	£5,870,869	£5,171,527	
P13613-1002 - Staffing Allocation - Disabled Facilities	£387,242	£387,242	£387,242	£387,242	£387,242	
	<b>£7,192,262</b>	<b>£8,328,181</b>	<b>£7,310,075</b>	<b>£6,258,111</b>	<b>£5,558,769</b>	

**£91,232,727   £107,814,540   £94,070,113   £79,868,595   £70,427,480**

Revenue

Planned & Cyclical			
Works		Year 1 - 2024 to 2025	Budget Setting Notes
		£	Notes
10080 - External Maintenance & Painting - Low Rise		£2,019,400	
CITY LEAP - External Maintenance & Painting - Low Rise		£387,200	
10081 - Communal Maintenance & Painting		£333,000	Hilton Ct (x1), Slymbridge Ave (x1), Capel Rd (x1), Long Cross (x10 blocks), Mary Carpenter (x10 blocks), Richmond Terrace (x1), Cutler Rd (x3 blocks), Lindon Hse (x2 blocks), Merryweathers (x3 blocks)
10082 - Fire Safety Works		£2,440,000.00	<p><b>Mid Rise</b></p> <p>Retentions from 23/24 £100,000.00  Robin Cl &amp; Mercer Crt £135,000.00  Vincent Close £115,000.00  Manor Fram &amp; Oldbury Crt £750,000.00  FRA, Voids &amp; other £200,000.00  Sub Total £1,300,000.00</p> <p><b>High Rise</b></p> <p>Retentions from 23/24 £20,000.00  Northfield &amp; Brandon £200,000.00  Barwick &amp; Sedgewick £200,000.00  Southbow, Whitmead and Winterstoke £600,000.00  Lansdowne and Twinnell voids £50,000.00  Way finder signage ( Low rise) £50,000.00  Property information plates £20,000.00  Sub Total £1,140,000.00</p>
		<b>£5,179,600</b>	
M&E / Heating			
Works		Year 1 - 2024 to 2025	Budget Setting Notes
		£	Notes
10079 - Gas Servicing		£2,019,420	

10084 - Electrical Safety Testing	£3,181,500	New contract mobilising (4 year contract, 2 + 2) started in Aug 23'. Indices rise from Aug 24'.
10066 - Heat Management	£980,000	Budget increase due to additional works being added.
10067 - Electrical Maintenance	£783,060	Salaries charge £584k, material charges £143k, also works on generators. This budget can remain the same.
10069 - Lifts	£587,000	Budget increase due to charge for sim card/gsm renewals (reason why increased) and also for LOLERs and SAFEDs, these used to be captured 10091 (this code will be reduced as a result).
10070 - Central Call	£42,000	No indices rise so budget amount to stay the same.
10071 - Door Entry	£82,500	Budget increase due to additional cost for installing GSM equipment and indices rise.
10076 - Automatic door maintenance	£40,000	Remain the same.
Warden Call and door entry - additional	£78,050	
10077 - TV Aerials	£70,000	Remain the same.
15237 - Brunata Maintenance	£40,000	Remain the same.
10091 - M&E Response Repairs - General	£167,300	Reactive works budget.
10072 - Fire Equipment	£29,000	Require £29k next year 24/25 as plan to remove extinguishers from blocks, following year will reduce back down to £15k.
10087 - Fire Alarm Testing	£147,670	£147,670 per year required from 24/25, increase due to AFAR testing that's required and for onboarding of new equipment from major projects, these get added into the contracts.
15831 - Fire sprinkler servicing and maintenance	£10,000	This is just for Butler house in 24/25, following years will increase and sliding programme. Budget required for 24/25 = £10k, reason is maintenance is built into the contract for the 1st year. 25/26, £67,500 (yr2). Average cost for maintenance is £7500 per block.
Warden Call	£24,050	
	<b>£8,281,550</b>	

<b>Repairs &amp; Maintenance</b>	<b>Year 1 - 2024 to 2025</b>	
	<b>£</b>	<b>Budget Setting Notes</b>
<b>Works</b>		Notes
10099 - Response Repairs	£14,945,000	Damp and mould and FRA remedial work - increasing work, and potential increased demand from house condition survey info (in partic re. d&m). Also, inflation on materials contract, internal ops salary increasing, joinery recharges, increased volume of decants increasing demand on RR. Plus trade vacancies meaning more contractors used with increasing costs. Delays in planned progs increasing pressures



10097 - Relets Repairs	£11,500,000	As above - materials, inflation, salary award, use of external contractors due to trade vacancies. Increased volume of TA relets, with higher spec, increasing costs. Forecast savings due to reduced spec will be made, but more than offset by increased costs.
RR - Damp and Mould	£250,000	Increased response demand, following in house training and additional surveys.
RR - HCI Repairs	£1,000,000	Anticipated increased response repairs as a result of the stock condition survey programme.
RR - FRA remediation	£1,000,000	
	<b>£28,695,000</b>	

<b>Other</b>		
<b>Works</b>		
<b>Year 1 - 2024 to 2025</b>	<b>Budget Setting Notes</b>	
£	Notes	
10009 - Caretaking Repairs	£41,000	Minor works to sites to assist the caretaking service.
10001 - Disabled Adaptations Repairs	£700,000	Based on existing demand (demand led repairs service for existing adaptations). Budget increased to £700k per year due to increasing costs of materials and labour.
Disabled Adaptations Repairs - Top Up	£500,000	
14493 - Council Stair Lift Repairs	£200,000	Forecast is £150k for year. This is a reactive budget. Could move to £200k from 24/25 onwards. Contract in place for X years.
10002 & 10005 Combined - Estate Management	£280,000	£150k for trees. £130k for repairs. Trees 5 year contract.
15645 - Rapid Response	£200,000	Increase to £200k from 24/25 to cover additional resource and vehicle hire.
Asbestos Management Surveys	£137,000	
15806- Assisted Gardening	£120,000	
Damp and Mould/stock condition surveys	£250,000	Increase in demand, as a result of the stock condition survey programme.
	<b>£2,428,000</b>	

<b>Charges</b>		
<b>Works</b>		
<b>Year 1 - 2024 to 2025</b>	<b>Budget Setting Notes</b>	
£	Notes	

Appendix A2 HIP

10078 - Charges - Construction procurement	£120,000	from finance
10090 - Charges - Leaseholder income	-£411,760	from finance
	<b>-£291,760</b>	
	<b>£44,292,390</b>	

## **1. General**

This report sets out details of the HRA Delivery Programme, and associated budget requirements over the 2024/25-28/29 Medium Term Financial Plan.

Bristol City Council is committed to doing all it can to tackle the housing crisis and has a rolling new build programme of council housing delivery at scale as part of a comprehensive council housing 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 can 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 and includes: direct development on council land, acquisition of homes from developers including our Council-owned housing company Goram Homes and acquisitions from the wider market, including ex-right to buy properties and other 'street properties'.

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. The borrowing requirements and the cost of that borrowing are set out within the legal parameters to provide a balanced budget for the HRA as part of the wider HRA budget setting process.

Since the development programme started in 2013, over 350 new council homes have been built, with a further 547 expected to be completed in 2024/25. The Development Programme approved in 2023 committed to delivering over 1700 new homes over the life of the 2023-28 MTFP. The new 5-year programme 2024/25–2028/29 commits to increase this provision further and to over 3000 new homes. The 2024/25 Business Plan reflects these ambitions and includes costs which reflect the current economic climate in relation to the construction of new homes.

Whilst there is considerable challenge to delivering these numbers in each year and we may see movement within the overall programme as schemes are brought forward or slipped back, there is a clear commitment to increase the supply of new council housing for the city. These new homes will be delivered through various approaches:

- 'Land-led' schemes (using council land, (including the purchase of General fund land if scheme viability allows)) to bring forward new development directly managed by the Housing Delivery Development team.
- 'Developer-led' schemes (e.g., purchase of homes from developers, such as Goram Homes and other S106 Acquisitions from developers including any additionality that can be afforded and overseen by the Housing Delivery Development team); and
- Acquisitions of properties from the market, including ex RTB buybacks and leaseholders, Street properties and new build opportunities and any available sources for General Needs housing through adaptation, upgrade or conversions, estate regeneration and/or meanwhile use (e.g., demountable 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), pressures within the HRA business plan and a new priority being identified of property acquisitions. The business plan is able to meet these new ambitions and is fully funded and compliant.

The overall target within Housing Strategy Project 1000 for 2024/25 and beyond has increased. This means that the HRA is committed to building/acquiring a total of over 3000 homes over the 2024/25 to 2028/29 MTFP on a rolling programme of which:

- 341 anticipated to complete in 2024/25 and the acquisition of over 150 from the market. Some funding is also set aside for land acquisition opportunities, which are expected to add further additional units
- 740 homes projected to complete in 2025/26 including a further 200 acquisitions from the market.
- 677 expected to complete in 2026/27 including a further 200 acquisitions from the market.
- 580 anticipated to complete by 2027/28 including a further 500 acquisitions from the market, although as new schemes are identified this figure may rise.
- 538 anticipated to complete in 2028/29 including a further 500 acquisitions from the market, although as new schemes are identified this figure may rise.
- The remainder will be delivered in 2029/30 and beyond (the remaining of the 30-year Business plan), which has 300 completions a year currently programmed.

As with all development programmes there is risk to achieving those numbers, through funding and viability risks, planning consents being achieved, through unforeseen circumstances on the sites identified, contractors and consultants availability, the use of smaller SME contractors and the financial standing of these (including warranties and insurances), use of new technologies and the fact we do not have any control over third party developments. The Housing Delivery Development team is experienced and skilled in identifying and mitigating risks and managing delays and will drive the programme accordingly and strive to achieve the desired outcome, reporting on progress at the agreed gateways of the development process.

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, especially where we strive to provide higher than the required planning and sustainability rules on each development.

## **2. Programme Overview**

To date we have progressed the Development Programme, with both the developer led and land led schemes either on site or in the pipeline to start on site in 2024/25

Sites currently under construction includes sites at St Peter's House and Bell Close in Manor Farm, Brentry House in Brentry, Romney Ave in Lockleaze, New Kingsland in Henbury, West Street in Bedminster as well as sites in Lawrence Weston and Hengrove. New homes have also been acquired at Airport Rd. In the coming months we will commence work at sites in Knowle, Stockwood, Lockleaze as well as continuing to acquire the homes as they complete at Romney House, Lockleaze, Cedar House, Fishponds.

In addition, we will be commencing the planning process for various other developments across the city to ensure a constant supply of new homes is achieved.

We are also working alongside Goram Homes to develop opportunities to acquire future homes from them and are currently working with them to deliver homes at Romney House and with a significant pipeline of new affordable homes in Hengrove as well as their new developments at New Fosseway and Dovercourt Rd Depot.

As part of our delivery strategy, we are also fast-tracking developments where possible on new HRA sites and to enhance our acquisition and conversion programme to deliver homes to support the Temporary Accommodation (TA) cost avoidance programme. We have set up a new fast track planning strategy for small sites and are working closely with Highways on finding solutions to deliver off site Highways works in a timely manner.

The budget being approved sets out funding requirements for all of the proposed workstreams within the Development programme. The programme will focus on various strands of work:

- Delivering land led developments including the fast tracking of smaller sites through the planning process and through the development process to completion of the homes.
- Acquisition of market and other properties that are available, including carrying out the necessary works to bring them into use as new council homes. This will have a focus on buying back ex council houses and flats that come to the market, but will also include wider market opportunities. This includes £15m for a land acquisition pot to enable the construction of more homes.
- 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 TA under license and/or permanent accommodation.
- Acquiring S106 and any affordable additionality from developers and other market providers including Goram Homes. The HRA will continue to have "first refusal" when it comes to purchasing the affordable units delivered by the council-owned housing company.

The budget and approvals sought in this Cabinet report will provide a framework to shape and deliver the HRA development programme from all aspects within the process including Procurement, Legal, Planning, Transport, Highways, and other statutory requirements 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 within the programme including the identification of new projects and further sites for future development. The HRA development programme set out in this report is for approval, with budgets allocated within the business plan. This includes the decision to acquire units from Goram Homes on schemes as set out in this appendix. Further Goram Homes schemes that are scheduled further into the future will be considered in future years.

All projects will be subject to a full financial appraisal based on the agreed financial and development parameters (which includes a Net Present Value (NPV) assessment and if necessary, a Social Value assessment and will be supported by the use of Right to Buy receipts (RTB) and/or Homes England Affordable Housing grant).

The current Homes England Affordable Housing grant runs until 2025/26 and at present there is no further update as to whether there will be a new programme after that date, so this does pose a potential risk, as

the 5-year MFTP runs until 2029. However, we are working closely with Homes England and review this funding regularly.

We will also target any other forms of grant funding available to support schemes as and if they become available such as Get Councils Building, Brownfield Land Release Funding and Brownfield Infrastructure Land Fund etc to the benefit of the HRA.

Each scheme will be subject to approval by the Executive Director, Growth and Regeneration in consultation with the Cabinet Member for Housing Delivery and Homelessness, the Cabinet Member for Finance, and the Section 151 officer.

All development is required to meet agreed investment criteria and achievement of value for money for the Council as appropriate for the development and the HRA. The proposed developments will be primarily aimed towards Social Rented homes. However, due to the size and complex nature of some of the developments we will need to provide a mixed and sustainable development. Each scheme will be subject to a viability assessment (NPV) to ensure financial viability. To achieve this, where appropriate, we will introduce other forms of tenure, which could be other forms of affordable housing such as Shared Ownership and will be considered on a scheme-by-scheme basis.

As part of the viability assessment of individual schemes, it is recognised some may present a negative Net Present Value (NPV) position, and would therefore not be considered viable. In these circumstances, the Social Value offered by such schemes will be taken into consideration. Where sufficient Social Value is demonstrated, these may still be taken forward where their inclusion means that the overall development programme retains a positive NPV position.

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 and programme is the quickest and most effective route to seamless delivery with a total overall budget in the 5-year MTFP of £946m for over 3000 new homes. The budget is made up of various strands as set out in the tables below. This includes £15m for a land acquisition pot to enable the construction of more homes.

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 from the Executive Director, Growth and Regeneration.

The main programme assumptions are as follows:

<b>Build Cost</b>	£300k/unit (gross) for new build. This is including the pre-construction design costs
<b>Grant (Homes England) if sought</b>	£100k/unit for social rent. £55k/unit for shared ownership.
<b>Right to Buy (RTB) Receipts to be used</b>	Current Parameters are set for RTB at 40% being used against each scheme for social rent
<b>Shared Ownership</b>	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) as well as other Professional Services including Legal, Procurement and Warranty Providers etc to deliver the projects throughout the various stages of the development process. This report provides the approval authority to enter into all of the required contracts and agreements following the council's procurement and financial regulations.

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

In order to deliver this programme, the Housing Delivery Development team will need to be adequately resourced to ensure each project is delivered. Therefore, an allowance is made within the Development Parameters that a percentage of the capital costs of each development project are allocated for this purpose. This resource is managed by the lead officer for the HRA Development Programme.

### 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

Project name	Social rent units	Shared Ownership units	Total	Completed Prior to 2024/25	Completed 2024/25	Anticipated completion 2025/26
Lawrence Weston PRC (Precast Reinforced Concrete) sites, Lawrence Weston	57	0	57		57	
Brunel Ford, Lockleaze	32	0	32		32	
St Peters EPH (Elderly Person Homes), Manor Farm	28	0	28		28	
Brentry EPH, Brentry	34	0	34		34	
Airport Rd, Knowle	55	24	79	59	20	
Romney house, Lockleaze	93	54	147	39	49	59
Accelerated Housing delivery acquisitions including SHAP	57	0	57	7	41	9
Cedar House, Fishponds	25	0	25		25	
Climate Smart Cities sites (Edaroth)	29	0	29		19	10
Romney Ave, Lockleaze	12	0	12		12	
Hengrove Bookends, Hengrove	27	26	53			53
New Kingsland, Henbury	16	0	16		16	

Marshall Walk, Knowle	12	0	<b>12</b>		12	
West Street, Bedminster	7	0	<b>7</b>		7	
Bell Close, Manor Farm	9	0	<b>9</b>		9	
<b>Totals</b>	<b>493</b>	<b>104</b>	<b>597</b>	<b>105</b>	<b>361</b>	<b>131</b>

**b) Current schemes to commence 2024/25**

<b>Project name</b>	<b>Social Rent Units</b>	<b>Shared Ownership Units</b>	<b>Total</b>	<b>Anticipated completion 2025/26</b>
New Street, Old Market	6	0	<b>6</b>	6
Leinster Ave, Knowle	55	16	<b>71</b>	71
Greville EPH, Stockwood	26	0	<b>26</b>	26
Branwhite, Lockleaze	38	10	<b>48</b>	48
Filwood Cinema, Filwood Broadway	20	10	<b>30</b>	30
Kingswear, Knowle	28	6	<b>34</b>	34
Cameron Centre, Lockleaze	24	10	<b>34</b>	34
Wotton Rd, St Annes	7	0	<b>7</b>	7
Molesworth, Bishopsworth	5	0	<b>5</b>	5
Craydon, Stockwood	7	0	<b>7</b>	7
Redfield Crescent, Bishopsworth	12	0	<b>12</b>	12
<b>Total</b>	<b>228</b>	<b>52</b>	<b>280</b>	<b>280</b>



**C) Future Developer led schemes currently agreed but not in contract.**

Project name	Social rent units	Shared Ownership Units	Total	Anticipated completion 2024/25	Anticipated completion 2025/26	Anticipated completion 2026/27	Anticipated completion 2027/28	Anticipated Completion 2028/29 onwards
Hengrove phase 1 Hengrove	80	25	105			105		
Hengrove Affordable later phases, Hengrove	350	195	545					545
Baltic Wharf, City Centre	50	16	66			66		
Baltic Wharf remainder of site	68	32	100			100		
Dovercourt Depot, Lockleaze	53	17	70			70		
New Fosseyway, Knowle	50	15	65		9	56		
total	651	300	951	0	9	397		545

**d) schemes anticipated to complete between 2025/26 and 2027/28**

Project name	Social rented Units	Shared Ownership Units	Total	Anticipated completion 2025/26	Anticipated completion 2026/27	Anticipated completion 2027/28
Coombe, Westbury	16	0	16	16		
Lanercost, Southmead	25	10	35	35		
Sea Mills Community centre, Sea Mills	15	0	15	15		
Deering, Lawrence Weston	21	10	31		31	
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		
Filwood Broadway phase 2, Filwood (4-16 Filwood Broadway)	20	0	20			20
Totals	185	20	205	105	80	20

**e) Further schemes as identified to be delivered within the plan**

Project name	Social rent units	Shared Ownership units	Total	Anticipated completion 2024/25	Anticipated completion 2025/26	Anticipated completion 2026/27	Anticipated completion 2027/28	Anticipated completion 2028/29	Anticipated completion 2029 onwards
Other sites currently unallocated for future schemes including opportunities in Filwood.*	116	0	<b>116</b>	56			60		
Gatehouse Centre	15	0	<b>15</b>		15				
Accelerated Acquisitions	950	0	<b>950</b>	150	200	200	200	200	
Future development and Acquisition programme	8,100	0	<b>8,100</b>				300	300	7500
<b>Total</b>	<b>9,181</b>	<b>0</b>	<b>9,181</b>	<b>206</b>	<b>215</b>	<b>200</b>	<b>560</b>	<b>500</b>	<b>7500</b>

\* This includes £15m for a land acquisition pot to enable the construction of 50 homes.

The HRA is already looking forward to future new development opportunities to bring into its programme that will be explored through 2024/25 and beyond. This includes securing additional affordable units from Goram Homes as part of their future pipeline, including Portwall Lane car park, and additional council-owned sites in Filwood.

**Finance Summary**

	2024/25	2025/26	2026/27	2027/28	2028/29 On	Total
	£m's	£m's	£m's	£m's	£m's	£m's
Contractually Committed Schemes	74	19				<b>93</b>
Current Schemes to Commence 2024/25	55	35				<b>90</b>
Future Developer Led Schemes	49	56	16	16	103	<b>240</b>
Schemes Anticipated to Complete Between 2025/26 and 2027/28	13	21	16			<b>50</b>
Future Schemes as Identified to be Delivered	65	69	108	153	2,270	<b>2,665</b>
	<b>256</b>	<b>200</b>	<b>140</b>	<b>169</b>	<b>2,373</b>	<b>3,138</b>

## **Risk and Mitigation**

There are inherent risks and challenges associated with the development programme and achieving both the number of homes identified and the level of funding required to deliver these homes, whilst the business plan is supportive of a large development programme the risks in achieving the desired outcomes will be affected by development issues as well as financial matters.

The Housing Delivery Development team are experienced and skilled at leading this programme of developments and will work to eliminate any delays to ensure the fastest possible delivery.

Each development project will need to achieve a planning consent and until this has happened, numbers predicted on each site could change and the pace of delivery may change during the design and planning process.

Procurement and legal requirements will need to be carried out and issues such as collateral warranties, insurance and contract negotiations can take time to resolve.

Unforeseen issues may arise during construction that delay progress or increase costs. Liaison with external stake holders such as utilities may hinder the progress.

The Acquisition programme is dependent upon the availability of appropriate properties within the market and from other developers who are building. Whilst we can look to target certain parts of the market, there will still be the period of negotiation, conveyance and then the necessary works to those homes to be factored in. To ensure this can be done at pace, a 'one-stop shop' delivery partner will be procured. Ensuring acquired properties are a long-term asset to the HRA, not a liability, is a key part of property selection and a set of clear criteria have been developed to provide guidance on properties likely to be suitable.

**APPENDIX D - HRA 30-YEAR BUSINESS PLAN RISK REGISTER**

Items	Risk	Scenario description	Uncontrolled		Controlled
			Risk	Controls	Risk
1	<b>Interest Rates</b>	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	<b>Rent Charges</b>	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 government has not implemented a rent cap for 2024/25 and it is proposed to increase rents by the maximum rent formula of CPI + 1%. This is also built into future years of the business plan.	Medium
3	<b>Cost of Inflation</b>	BCC has seen construction cost inflation continuing to be above CPI. 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	<b>Bad Debt</b>	Some tenants and leaseholders are unable or unwilling to pay the council. This could be because of challenges with the cost of living crisis or changes to their employment / 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 significantly impact levels of arrears.	Medium
5	<b>Voids</b>	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. Void turn around times are currently high.	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. An ambitious reduction in void turn around times has been built into the business plan and an improvement plan has been developed that will remain under regular review.	Medium
6	<b>Right to Buy</b>	Sale of council housing stock at a significant discount reduces rental income to the HRA, in disproportion 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.	Low
7	<b>Housing Market</b>	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 sale/occupation of units to provide future funds and make them economical to service and maintained.	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 approximately 21,000 households 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

## APPENDIX D - HRA 30-YEAR BUSINESS PLAN RISK REGISTER

Items	Risk	Scenario description	Uncontrolled		Controlled
			Risk	Controls	Risk
8	<b>Disaster</b>	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	The Health & Safety of residents and their homes is the number one priority. All reasonable steps are taken to minimise the risk of any potential incident. However, as with Barton House, 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	<b>Failure of contractors</b>	The risk of contractor insolvency remains a moderate risk. This is a result of continued higher inflation than the Bank of England's target (although inflation pressure is easing). Credit condition remain and a skill deficiency in the sector remain an issue. The slow down of the development of new homes is also a challenge.	Medium	Effective contract and procurement management	Medium
10	<b>Internal Capacity</b>	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 activities	Medium
11	<b>Government policy changes</b>	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.	High	The Council will review and monitor the business plan to reflect any changes that the Government might announce. The business plan has additional funds allocated to Landlord Health & Safety Compliance priorities, damp & mould and responding to the upcoming Consumer Standards.	Medium
		Lack of financial and delivery resources to achieve the governments and Bristol's energy improvement targets for the HRA housing stock by 2030.			
12	<b>Energy Efficiency Improvements</b>	Inability to achieve government Social Housing Decarbonisation Fund grant timescales for the completion of schemes.	High	A HRA Energy Efficiency Strategy is being developed and will be approved by March 2024. Funding is included within the plan and energy improvement programmes are underway through the City Leap partnership. It is likely more funding will be required to ensure all HRA homes achieve EPC C by 2030 and this will be further developed during 2024/25 and an options appraisal developed for the 2025/26 Business Plan. Grant opportunities will also continue to be explored alongside innovative finance delivery models for aspects of decarbonisation (e.g. Solar PV).	Medium
		The General election expected in the second half of 2024 and the implementation of a new committee system in Bristol following May's local elections may initially have an impact on policy setting and decision making both locally and nationally.	Medium	Significant work has been undertaken to prepare of the new Committee system in Bristol.	Low
13	<b>Political environment changes</b>			An improvement plan will be developed to outline measures required, which will include a robust performance management framework to oversee delivery against targets.	
14	<b>Efficiency Targets</b>	The efficiency savings identified within the Business Plan are not delivered	High		Medium

## APPENDIX D - HRA 30-YEAR BUSINESS PLAN RISK REGISTER

Items	Risk	Scenario description	Uncontrolled Risk	Controls	Controlled Risk
15	<b>Borrowing Headroom</b>	We have maximised borrowing in the first 5 years of the plan to accelerate the New Home provision (New Build & acquisitions) to respond to the housing crisis in Bristol and reduce the use of Temporary Accommodation. This means that the plan has very limited capacity for additional borrowing in the event of other investment demands or unforeseen events.	High	In order to maximise borrowing potential, all schemes or acquisitions are subject to robust viability appraisals and can be accommodated within overall capital budget. The 5 year capital plan and 30 year business plan will be continually reviewed within the year and during the 2025/26 budget setting process to ensure revenue resources are within expected level to support borrowing.	Medium
<b><u>Development Risks</u></b>					
1	<b>Homes England Funding risk (1)</b>	Impact of any notice being served by Housing Regulator on the HRA which could see the Council lose its Investment Partner status with Homes England and the loss of its Affordable Housing subsidy	High	To ensure that management of our existing stock is maintained and achieved, working closely with the regulators	High
2	<b>Homes England Funding risk (2)</b>	The current Homes England Affordable Grant Programme expires in March 2026, therefore there is a risk if no new funding programmes are introduced	High	To work with Homes England in providing the evidence to the Government for further rounds of the grant programme To have a focus on buying back ex-council houses and flats that come to the market alongside street acquisitions. A set of criteria to inform acquisitions has been developed to ensure a delivery partner can acquire at pace.	Medium
3	<b>Acquisition of new homes</b>	Availability in the market of suitable and appropriate new homes to achieve the proposed numbers	High		Medium
4	<b>Availability of subsidy for Acquisition programme</b>	Homes England do not traditionally fund street / market acquisitions, the Business Plan makes an assumption that the acquisitions programme will be supported by the Homes England Affordable Housing Funding Programme	High	Begin engagement with Homes England immediately and build upon the council's existing working relationship over the offer of a targeted acquisitions funding programme.	High
5	<b>Acquisitions of New Homes and bring them into use</b>	Once new homes have been acquired from the market, works will have to be undertaken to bring them up to standard and this may cause both a cost uplift and delay in occupation	Low	Produce a New Dynamic Purchasing System (DPS) of contractors to carry out the works. Costs of bringing up to standard have been factored into the acquisitions programme.	Low
6	<b>Development by Third parties</b>	Our Programme is reliant upon information and progress from developers. Delays to programme, funding slippage and homes being delivered are out of our control.	High	To work closely with third party developers to accurately forecast milestones and mitigate the risks to delivery.	Medium



Title: 2024/25 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: Richard James
Service Area: Business Development	Lead Officer role: Interim Asset Management Consultant

## 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 2024/25 Housing Revenue Account (HRA) budget
- The 2024/25 Housing Investment Plan
- The 2024/25 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 Services & Energy and Housing Delivery & Homelessness, 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 proposals responding to the Building and Fire safety Acts and upcoming Consumer Standards and proactive regulation.
- 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 allows social landlords to increase rent levels by up to the September CPI +1%. As a result, the maximum rent increase that BCC is able to implement for 2024/25 is 7.7%. More detailed and specific EqIA's will be developed for individual operational activities.

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

The key principles for the 2024/25 budget and medium-term financial plan are:

- Rents and service charges increase by 7.7% (September CPI + 1%).
- Repair & Investment of existing homes: Continue to ensure our homes are decent; warm, weathertight, modern and safe remain key priorities.
- Retain the 2023/24 priorities and commitments to improve standards in individual homes, communal areas, blocks and estates. Including:
  - Continue delivering the commitment 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. The investment includes contributions from BCC of: £11m in 2024/25, £76m in the first 5 years of the plan and a total of £100m up to 2030/31. This will help us to work towards a target of all homes reaching a minimum EPC of C by 2030 and Net Zero Carbon. Further funding is likely to be required to ensure all homes meet EPC C and will require further grant funding being made available from central government.
  - £83m over 15 years for planned bathroom replacement programme
  - c.£1m for HRA park and play area refurbishment covering 2023/24 & 2024/25.
  - Additional Investment in blocks, estates and communal areas between 2024/25 & 2026/27 of £6.15m (£2.05m per annum):
    - £0.6m contribution to the Rapid Response Service
    - £0.36m for the Assisted Gardens Programme
    - £0.61m for additional waste & recycling facilities
    - £1.78m for stock condition surveys that will inform future investment programmes



- £0.98m for CCTV & security upgrades
- £1.82m currently unallocated. We will engage with the Housing Management Board in 2024/25 to agree the allocation this investment (this is in addition to a 'Neighbourhood Investment budget of £462K per annum for one off neighbourhood improvement projects).
- In light of the proposed increase to tenants' rents, the HRA contribution to the Local Crisis Prevention Fund, which is earmarked for Social Housing tenants has been increased from £350k to £500k. New Homes: commitment to provide new affordable homes to meet housing need, and address homelessness and rough sleeping.
- New priorities to invest more in fire safety measures this includes waking watch, general fire remedial actions, 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](#)

<b>Data / Evidence Source</b> [Include a reference where known]	<b>Summary of what this tells us</b>
<p><b>Demographic of tenants:</b> H&amp;LS has c.33,500 tenants living in c.27, 000* properties. It is estimated that in total H&amp;LS houses over 60,000 people. In addition, there are c.2,350 leaseholders leasing c.1,800 properties. (This is all HRA homes except for those sold to leaseholders; therefore it includes those let under secure tenancies,</p>	<p>The ethnicity of 89% of tenants is known, of those: 62% are White British.</p> <p>c.21% are of Black, Asian or Minority Ethnicity, of which the largest groups are Black Africans and African Somalis 4% are White Other.</p> <p>A higher proportion of our tenants are female (61%) and male (37%). Not known or stated and prefer not to say (2%)</p>

<p>introductory tenancies, licences or temporary accommodation etc).</p>	<p>The age of 94% of tenants is known; of these the most common age bands is 45–54-year-olds (20%) and 55-64 years (21%). 22% of our tenants are aged over 65, and 2% under 25.</p> <p>29% of our tenants have told us that they are Disabled people. 13% of our tenants report a long-term illness, 13% experience mental or emotional distress and 13% of our tenants report mobility problems. 16% of our tenants have hearing, mobility or visual impairment.</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 22% of BCC tenants, and women make up 50% of Bristol’s population compared to 61% of BCC tenants.</p>
<p><b>Rent Arrears:</b> Overall, 24.3% of tenants have rent arrears over £250. This is 1.9% higher than 23/24.</p>	<p>30.32% of tenants from Black, Asian or Minority Ethnic backgrounds have rent arrears over £250, compared to 22.7% of White British tenants and 20.47% of White Other tenants.</p> <p>25.46% of female tenants are in arrears over £250 compared to 22.27% of male tenants.</p> <p>Younger tenants are at higher risk of arrears than older tenants. 44.82% of under 25’s are in arrears over £250, 9.40% of tenants aged 65-74 are.</p> <p>Disabled tenants are less likely to be in arrears with 19.27% having rent arrears over £250.</p>
<p><b>Response Repairs:</b> In the year 1st November 2022- 31st October 2023 there were c.77,000 response repairs orders completed.</p>	<p>Middle-aged tenants were most likely to request repairs with an average of 35-44 22% &amp; 45-54 22% &amp; 55-64 21% compared with over 65 which was 21% and 34 and below at 14%.</p> <p>White British tenants have c.62% of repairs compared with 28% of Black, Asian and minority ethnic tenants.</p>
<p><u><a href="#">Bristol One City: Cost of Living Crisis – Bristol’s One City approach to supporting citizens and communities (Oct 2022)</a></u></p> <p><u><a href="#">Cost of Living Risk Index (arccgis.com)</a></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"> <li>• <b>People on the lowest incomes</b> - 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</li> <li>• <b>Households with pre-payment energy meters</b> - 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.</li> <li>• <b>Parents and young families</b> – 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%).</li> </ul>

- **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  
(A Bristol Quality of Life Survey was undertaken in 2023/24 and result will be available from March 2024)

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
	<b>Bristol Average</b>	<b>8.7</b>
<b>Additional comments:</b>		

## 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.

We don't proactively hold or collect data on gender reassignment or pregnancy/maternity for our residents but will update records as notified. Data is proactively collected with the use of tenancy audits where we collate all current data on household's occupancies and definitions.

Additionally, we also collect this data when letting a home or part of a transfer / rehousing request / mutual exchange. The move to NEC will involve a data audit which will be used to improve the equalities data held.

### 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 2022/23, 2023/24 & 2024/25. 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. In line with BCC policy if during any consultation we identify a Disabled resident or language barrier that was impacting their ability to engage we would bring in support such as translation services to support the resident.

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,~~ write to residents informing them on the rent increase decision. If required, we are able to adapt the letter to make it more accessible and provide translation services. 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.

We are developing a resident engagement strategy for Building Safety which will describe how we will engage with residents regarding building safety on an ongoing basis.

### 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 2024/25.

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.

For residents with rent arrears, Income Officers will engage with residents on a one to one basis and take into account residents specific to individuals circumstances.

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

<b>Age: Young People</b>	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 2024/25 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.
<b>Age: Older People</b>	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.
<b>Disability</b>	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 <sup>1</sup> .  Income Officers undertake proactive contact with residents in rent arrears. They will work individually with residents and sign posts to specialist support if required.
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 2024/25 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.
<b>Sex</b>	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 2024/25 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.
<b>Sexual orientation</b>	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 2024/25 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.
<b>Pregnancy / Maternity</b>	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.
Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payment options. For 2024/25 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.
<b>Gender reassignment</b>	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:	
<b>Race</b>	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. In line with BCC policy, translation services are available to residents upon request. If a BCC Officer identifies any language barrier they will proactively engage with translation support.
Mitigations:	Promote opportunities to apply for benefits and to sign post residents to support, and staggered payment options. For 2024/25 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.
<b>Religion or Belief</b>	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
<b>Marriage &amp; civil partnership</b>	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
<b>OTHER RELEVANT CHARACTERISTICS</b>	
<b>Socio-Economic (deprivation)</b>	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<sup>1</sup> Disability Price Tag | Disability charity Scope UK

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 2024/25 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.
<b>Carers</b>	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	
Mitigations:	
<b>Other groups</b> [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.

<b>Summary of significant negative impacts and how they can be mitigated or justified:</b>
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.
<b>Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:</b>
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	Miles Tilling	March 2025
A stock condition survey will be undertaken to 20,000 of BCC homes during 2024/25 & 2025/26. This will inform a strategic stock appraisal that will inform a new Asset Management Strategy to be delivered by March 2026.	Miles Tilling	March 2026
Complete the external review of our preparedness for the upcoming Consumer Standards and develop an improvement plan responding to any areas requiring improvement.	Miles Tilling	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 need to consider whether the data is relevant and will be useful to help tailor and improve our services	Miles Tilling	March 2024

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

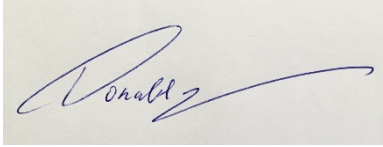
How will you know if you have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective your approach is still appropriate.

<ul style="list-style-type: none"> <li>• Key Performance Indicators will be used to monitor the contractor’s performance.</li> <li>• Monitor the complaints and identify systemic failures and lessons learned</li> <li>• 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.</li> <li>• Carry out ongoing equalities monitoring and impact assessments for specific projects.</li> <li>• Levels of rent arrears, have they increased and for which equality group, and in relation to housing register demographics</li> </ul>
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## 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 Director<sup>2</sup>.

<b>Equality and Inclusion Team Review:</b> <b><i>Reviewed by Equality and Inclusion Team</i></b>	<b>Director Sign-Off:</b> Donald Graham, Director Housing and Landlord Services 
Date: 12/1/2024	Date: 12/01/2024

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<sup>2</sup> 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.



# Environmental Impact Assessment [version 1.0]

<b>Proposal title: HRA Housing Investment Plan 2024/25</b>		
<b>Project stage and type:</b> <input type="checkbox"/> Initial Idea Mandate <input type="checkbox"/> Outline Business Case <input checked="" type="checkbox"/> Full Business Case		
<input type="checkbox"/> Policy <input type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input checked="" type="checkbox"/> New <input type="checkbox"/> Already exists / review	<input type="checkbox"/> Changing
<b>Directorate: Growth and Regeneration</b>		<b>Lead Officer name: Sarah Spicer</b>
<b>Service Area: Housing services</b>		<b>Lead Officer role: Interim Asset Management Consultant</b>

## Step 1: What do we want to do?

The purpose of this Environmental Impact Assessment is to help you develop your proposal in a way that is compliant with the council’s policies and supports the council’s strategic objectives under the [One City Climate Strategy](#), the [One City Ecological Emergency Strategy](#) and the latest [Corporate Strategy](#).

This assessment should be started at the beginning of the project proposal process by someone with a good knowledge of the project, the service area that will deliver it, and sufficient influence over the proposal to make changes as needed.

It is good practice to take a team approach to completing the Environmental Impact Assessment. See further [guidance](#) on completing this document. Please email [environmental.performance@bristol.gov.uk](mailto:environmental.performance@bristol.gov.uk) 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. Please use plain English, avoiding jargon and acronyms.

This cabinet report sets out the proposals for the 24/25 Housing Revenue Account (HRA) Housing Investment Plan budget to enable the HRA to deliver its essential repairs, maintenance, and improvements to the housing stock.

### 1.2 Will the proposal have an environmental impact?

Could the proposal have either a positive or negative effects for the environment now or in the future? If ‘No’ explain why you are sure there will be no environmental impact, then skip steps 2-3 and request review by sending this form to [environmental.performance@bristol.gov.uk](mailto:environmental.performance@bristol.gov.uk)

If ‘Yes’ complete the rest of this assessment.

<input checked="" type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> <b>No</b>	[please select]
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### 1.3 If the proposal is part of an options appraisal, has the environmental impact of each option been assessed and included in the recommendation-making process?

If ‘Yes’ please ensure that the details of the environmental impacts of each option are made clear in the pros and cons section of the [project management options appraisal document](#).

<input type="checkbox"/> <b>Yes</b>	<input type="checkbox"/> <b>No</b>	<input checked="" type="checkbox"/> <b>Not applicable</b>	[please select]
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If ‘No’ explain why environmental impacts have not been considered as part of the options appraisal process.

## Step 2: What kinds of environmental impacts might the project have?

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. See detailed [guidance documents](#) for advice on identifying potential impacts.

### Does the proposal create any benefits for the environment, or have any adverse impacts?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our corporate environmental objectives and the wider [One City Climate and Ecological Emergency strategies](#).

Consider how the proposal creates environmental impacts in the following categories, both now and in the future.

**Reasonable efforts should be made to quantify stated benefit or adverse impacts wherever possible.**

Where the proposal is likely to have a beneficial impact, consider what actions would enhance those impacts. Where the proposal is likely to have a harmful impact, consider whether actions would mitigate these impacts.

Enhancements or mitigation actions are only required when there is a likely impact identified. Remember that where enhancements or mitigation actions are listed, they should be assigned to staff and appropriately resourced.

GENERAL COMMENTS (highlight any potential issues that might impact all or many categories)		
<p><b>ENV1 Carbon neutral: Emissions of climate changing gases</b></p> <p>BCC has committed to achieving net zero emissions for its direct activities by 2025, and to support the city in achieving net zero by 2030.</p> <p>Will the proposal involve transport, or the use of energy in buildings? Will the proposal involve the purchase of goods or services? If the answer is yes to either of these questions, there will be a carbon impact.</p> <p>Consider the scale and timeframe of the impact, particularly if the proposal will lead to ongoing emissions beyond the 2025 and 2030 target dates.</p>	<b>Benefits</b>	<p>A number of the proposals contained within this budget will reduce emissions by improving energy efficiency within our HRA housing stock.</p> <p>The Energy &amp; Renewables Manager has been developing the HRA energy efficiency strategy which will be presented to Cabinet for approval early in 2024. The manager is working 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>
	<b>Enhancing actions</b>	<p>Proposals include installing loft and cavity wall insulation. Further work will be undertaken to calculate the estimated carbon savings to be achieved from improving insulation to our homes.</p> <p>A budget is included for Retrofit projects, 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><b>Persistence of effects:</b>    <input type="checkbox"/> 1 year or less    <input type="checkbox"/> 1 – 5 years    <input checked="" type="checkbox"/> 5+ years</p>		

<p><a href="#">Further guidance</a></p> <p><input type="checkbox"/> <b>No impact</b></p>	<p><b>Adverse impacts</b></p>	<p>Vehicle use associated with works will generate emissions.</p> <p>There will be embodied emissions from the materials and products used.</p>
	<p><b>Mitigating actions</b></p>	<p>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.</p> <p>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 materials to establish whether there are lower impact options available that would meet requirements. EPDs and LCAs are not available for all product.</p> <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>
<p><b>Persistence of effects:</b>    <input type="checkbox"/> 1 year or less                      <input type="checkbox"/> 1 – 5 years                      <input checked="" type="checkbox"/> 5+ years</p>		
<p><b>ENV2 Ecological recovery: Wildlife and habitats</b></p> <p>BCC has committed to 30% of its land being managed for nature and to halve its use of pesticides by 2030.</p> <p>Consider how your proposal can support increased space for nature, reduced use of pesticides, reduce pollution to waterways, and reduce consumption of products</p>	<p><b>Benefits</b></p>	
	<p><b>Enhancing actions</b></p>	
<p><b>Persistence of effects:</b>    <input type="checkbox"/> 1 year or less                      <input type="checkbox"/> 1 – 5 years                      <input type="checkbox"/> 5+ years</p>		

<p>that undermine ecosystems around the world.</p> <p>If your proposal will directly lead to a reduction in habitat within Bristol, then consider how your proposed mitigation can lead to a biodiversity net gain. Be sure to refer to quantifiable changes wherever possible.</p> <p><a href="#">Further guidance</a></p> <p><input type="checkbox"/> <b>No impact</b></p>	<p><b>Adverse impacts</b></p>	<p>It is possible for works and construction materials associated with this budget to:</p> <ul style="list-style-type: none"> <li>• Impact upon legally protected species or habitats</li> <li>• Impact on priority species or habitats</li> <li>• Remove or damage trees.</li> </ul>
	<p><b>Mitigating actions</b></p>	<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>
<p><b>Persistence of effects:</b>    <input checked="" type="checkbox"/> <b>1 year or less</b>                      <input type="checkbox"/> <b>1 – 5 years</b>                      <input type="checkbox"/> <b>5+ years</b></p>		
<p><b>ENV3 A cleaner, low-waste city: Consumption of resources and generation of waste</b></p> <p>Consider what resources will be used as a result of the proposal, how they can be minimised or swapped for less impactful ones, where they will be sourced from, and what will happen to any waste generated</p>	<p><b>Benefits</b></p>	
	<p><b>Enhancing actions</b></p>	
	<p><b>Persistence of effects:</b>    <input type="checkbox"/> <b>1 year or less</b>                      <input type="checkbox"/> <b>1 – 5 years</b>                      <input type="checkbox"/> <b>5+ years</b></p>	
<p><b>Adverse impacts</b></p>	<p>Waste will arise during the delivery of the works delivered by this budget.</p>	

<p><a href="#">Further guidance</a></p> <p><input type="checkbox"/> <b>No impact</b></p>	<p><b>Mitigating actions</b></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"> <li>• Reducing waste</li> <li>• Reusing waste where legal and practicable</li> <li>• Using products which are readily recyclable.</li> <li>• Recycling as much waste as possible</li> </ul> <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>
<p><b>Persistence of effects:</b>    <input checked="" type="checkbox"/> <b>1 year or less</b>                      <input type="checkbox"/> <b>1 – 5 years</b>                      <input type="checkbox"/> <b>5+ years</b></p>		

<p><b>ENV4 Climate resilience: Bristol’s resilience to the effects of climate change</b></p> <p>Bristol’s climate is already changing, and increasingly frequent instances of extreme weather will become more likely over time.</p> <p>Consider how the proposal will perform during periods of extreme weather (particularly heat and flooding).</p> <p>Consider if the proposal will reduce or increase risk to people and assets during extreme weather events.</p> <p><a href="#">Further guidance</a></p> <p><input type="checkbox"/> <b>No impact</b></p>	<p><b>Benefits</b></p>	<p>The improvements to energy efficiency measures listed in the ‘Emissions of Climate Changing Gases’ section above will improve Bristol’s resilience to fuel scarcity.</p> <p>Improvements to water efficiency through new bathrooms will improve Bristol’s resilience to drought.</p>
<p><b>Enhancing actions</b></p>	<p>Water efficient products such as showers, dual flush toilets and low flow taps will be used where appropriate.</p>	
<p><b>Persistence of effects:</b>    <input type="checkbox"/> <b>1 year or less</b>                      <input type="checkbox"/> <b>1 – 5 years</b>                      <input checked="" type="checkbox"/> <b>5+ years</b></p>		
<p><b>Adverse impacts</b></p>	<p>Some HRA properties will be located in flood risk areas. Some HRA properties will be at risk of overheating during periods of extreme weather.</p>	
<p><b>Mitigating actions</b></p>	<p>The Bristol Flood Risk Management portal will be used to identify sites at risk of flooding and flood risk measures will be considered. The council’s Heat Vulnerability Mapping portal will be used to identify sites at risk of overheating.</p>	
<p><b>Persistence of effects:</b>    <input type="checkbox"/> <b>1 year or less</b>                      <input type="checkbox"/> <b>1 – 5 years</b>                      <input checked="" type="checkbox"/> <b>5+ years</b></p>		

<p><b>Statutory duty: Prevention of Pollution to air, water, or land</b></p> <p>Consider how the proposal will change the likelihood of</p>	<p><b>Benefits</b></p>	
<p><b>Enhancing actions</b></p>		

<p>pollution occurring to air, water, or land and what steps will be taken to prevent pollution occurring.</p> <p><a href="#">Further guidance</a></p> <p><input type="checkbox"/> No impact</p>	<b>Persistence of effects:</b> <input type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years		
	<b>Adverse impacts</b>	<p>Generator or other power use associated with works will generate emissions</p> <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>	
	<b>Mitigating actions</b>	<p>Suppliers will be asked to use the lowest emission options wherever possible, and should be encouraged to avoid the use of generators favouring mains connection where possible due to emissions from generators.</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"> <li>• Securely store any potentially polluting materials and keep them away from watercourses and surface drains.</li> <li>• Avoid washing out containers of paints, pesticides, or similar materials into drains.</li> <li>• Ensure that drainage connections are correct, with sewage entering foul sewers, not storm drains.</li> <li>• Minimise noise and dust.</li> <li>• Contain any spillages.</li> <li>• Communicate best practice.</li> </ul> <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>	
<b>Persistence of effects:</b> <input checked="" type="checkbox"/> 1 year or less <input type="checkbox"/> 1 – 5 years <input type="checkbox"/> 5+ years			

### Step 3: Action Plan

Use this section summarise and assign responsibility for any actions you have identified to improve data, enhance beneficial, or mitigate negative impacts. Actions identified in section two can be grouped together if named responsibility is under the same person.

This action plan should be updated at each stage of the project. Please be aware that the Sustainable City and Climate Change Service may use this action plan as an audit checklist during the project’s implementation or operation.

Enhancing / mitigating action required	Responsible Officer	Timescale
Work with the Environmental Performance Team to quantify expected Carbon savings from Retro fit work and insulation works and equipment upgrades.	Sam Robinson	As project progresses
Sustainability requirements to be set for materials, transport and waste management of contractors (See full ENV IA for full details)	Sam Robinson	As projects are progressed through procurement and planning
Any works requiring Planning Permission will be reviewed by a Council Ecologist as part of the Planning process and	Sam Robinson	As projects are progressed through



Enhancing / mitigating action required	Responsible Officer	Timescale
consultations will take place if any habitats are at risk through works		procurement and planning
Bristol Flood risk mapping and Heat vulnerability mapping software will be referenced when relevant	Sam Robinson	As projects are progressed through procurement and planning

## Step 4: Review

The Sustainable City and Climate Change Service need at least five working days to comment and feedback on your impact assessment. Assessments should only be marked as reviewed when they provide sufficient information for decision-makers on the environmental impact of the proposal.

Please seek feedback and review by emailing [environmental.performance@bristol.gov.uk](mailto:environmental.performance@bristol.gov.uk) before final submission of your decision pathway documentation<sup>1</sup>.

Where impacts identified in this assessment are deemed significant, they will be summarised here by the Sustainable City and Climate Change Service and must be included in the 'evidence base' section of the decision pathway cover sheet.

### Summary of significant beneficial impacts and opportunities to support the Climate, Ecological and Corporate Strategies (ENV1,2,3,4):

Overall, this proposal will have long term beneficial impacts through retrofitting, insulation works and the fitting of more efficient fixtures and fittings. The overall estimated carbon savings will be calculated as the project progresses.

### Summary of significant adverse impacts and how they can be mitigated:

There are short term negative impacts through this proposal through construction works which will be mitigated through the procurement procedures with focus on specifications for materials used, waste management procedures and travel methods.

<b>Environmental Performance Team Reviewer:</b>  Nicola Hares – Environmental Performance Senior Officer	<b>Submitting author:</b> Richard James
<b>Date: 10/01/2024</b>	<b>Date: 10/01/2024</b>

<sup>1</sup> Review by the Sustainable City and Climate Change Service confirms there is sufficient analysis for decision makers to consider the likely environmental impacts at this stage. This does not constitute an endorsement or approval of the proposal.