

Question: PQ11.01&02

Cabinet – 18 January 2022

Re: Agenda item 11 – Housing Revenue Account (HRA) Budget and Business Plan 2022-2023

Questions submitted by: Clive Stevens

Dear Tom, Mayor and Cabinet

I am so pleased to see this finally come to Cabinet. The long-term goal to build 300 Council homes a year is a great start and I see from Savills predictions there could be headroom to invest even more in eight years' time.

As you'd expect I have some questions.

I note from the report that the scrutiny box is not ticked. Shame, as I have been told from a councillor that a lot of briefing and consultation has been done with councillors.

I also note there has been no Human Resources advice even though such investment will necessitate recruitment and new skill development too.

I have many questions but am limited to two.

Q1 The rent levels for HRA tenants are ambiguous. In the main report it talks about rent increases of CPI+1% from the current average level of £81.50 a week (so £85.43 next year). Whereas in Appendix 3 it talks about Social rent at £113.13 for new builds and in Appendix 4 (Savills' comments) it talks about appropriate rent levels for the new development assumptions. I am assuming then that current Council House tenants will be subject to the rent increase program from the base level of £81.50 whereas new tenants moving into new developments will be paying social rent at £113.13/week (ave). Is this the case, or if not what is the situation please?

Q2 The Savills report (App 4) states that subsidies will be from the 1-4-1 receipts (from Right to Buy) and the rest from Homes England Grants. Assumptions include that Right to Buy numbers fall from 140 per year to 50 per year with no explanation for that drop. What please are the exact amounts that have been modelled of RTB receipts and Homes England Grants within the £1.8bn (30 year) investment plan?