

Stroud District Council

HRA DELIVERY PLAN 2020 -2025

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Introduction

Our housing service delivers a variety of services to tenants and plays a key role in supporting the strategic aims of the Council, including: housing, economic development and health and wellbeing. It operates in a changing business environment influenced by economic, social, political, legal and other factors; in response to which we have developed this plan to set out our considered direction and priority for the service enabling it to focus on the delivery of our stated priorities, manage and respond to business risks and opportunities and have appropriate contingencies in place.

This plan brings together work streams that are deliverable in line with our Medium Term Financial Plan and staff resourcing, and mindful of the links to other strategies either completed or in the process of being drawn up in the coming 12 months. Its action plan will be revised annually to ensure that it remains relevant and supports our ability to meet local needs, statutory and regulatory responsibility borrowing and debt repayment commitments, stock investment and management objectives (decent homes), service delivery, (tenancy management, resident involvement, satisfaction levels) objectives, as well as ensuring that it remains sustainable.

This delivery plan is linked to a significant programme of transformation and change within not only our housing service but also the Council as a corporate body. A Council wide drive towards Carbon Neutral by 2030 and the implementation of the revised Energy strategy 2019 underpins all of our activities.

In order to provide quality housing that meets local need both in social housing and shared ownership provision we must be creative in how this is achieved. Through effective management of our assets, partnership working and creating new business and tenant relationships we will provide quality housing for our present and future tenants. There are a number of critical areas of concern should we not become more creative with funding for projects such as the new build programme and sheltered

modernisation programmes, both of which are only funded within the current Medium Term Financial Plan (MTFP). In the short to medium term the HRA remains financially strong and will allow the council to continue to invest around £30 million over the next 5 years to repair, maintain and invest in its current stock.

Driving towards improving our resident satisfaction on our estates by improving the quality of homes and environments including utilising approaches identified in the forthcoming energy strategy and development strategy to deliver more energy efficient and sustainable homes and estates while contributing to the development of strong, effective and sustainable communities.

As the primary social landlord in the district we must ensure that we are efficient in the application of our resources and finances effectively consulting with our tenants and stakeholders establishing the one council approach so that delivery of services is mutually beneficial, progressive and harmonious.

Our **Corporate Delivery Plan priority** for affordable housing is to Provide affordable, energy efficient homes for our diverse and changing population.

Our recently adopted Housing Strategy 2019 – 2024, seen as being the overarching strategy, covering all the council's housing activities and pulling together strands from the other Council strategies, plans and statements relating to housing.

Our Housing Service contributes to the Strategy through the following objectives:

Making the Best Use of Existing Housing: Our Role as a Landlord

Objective: To work collaboratively with our tenants and contractors to provide an excellent service.

Older Person's Housing

Objective: To ensure that older people have access to appropriate and good quality homes.

Creating More Affordable Homes: Developing New Council Housing

Objective: Deliver the new programme of adaptable, flexible, affordable Council homes providing a range of property types and tenures that meet the needs of the district and that address the move towards a Carbon Neutral District by 2030.

Our vision for our housing service

We will support our corporate vision in the following way:

“To provide quality housing that meets local need, offering variety in both type and tenure, with routes to home ownership which do not undermine our stock asset's ability to meet need. Through our housing provision we want to improve access to schools,

transport, employment, community, health and other aspects contributing to the ‘quality of life’”.

Our mission as a landlord

“Through effective management of our assets, partnership working and building new homes, we will provide quality housing for our tenants and future tenants. We will recognise and other housing need to provide a fair and responsive service for the benefit of our community”.

Our key challenges

	Issue	Comment
Political	<ul style="list-style-type: none"> It is important that clear focus and direction, both locally, regionally and nationally is provided in order to ensure we have a stable environment to operate in, given that significant long-term decisions are required along with clarity on our medium term service priorities. 	A snap general election on 12 December 2019 will provide some stability in terms of general policy. Brexit remains an underlying factor and Local elections in May 2020 still create some uncertainty.
Economic	<ul style="list-style-type: none"> Our Medium Term Financial Plan is affected by the future risks to income around the full roll out of Universal Credit and the increase in loan repayments of 1% by the PWLB. The new build programme and the sheltered modernisation programme are not funded beyond the MTFP. 	The debt cap being removed has created some opportunity for growth, however, additional borrowing needs to be carefully considered in terms of payback and viability.
Social	<ul style="list-style-type: none"> We need a greater insight into our understanding of housing need and future provision as our service planning, focuses on current tenants and services, without consideration of future need, demographic trends and challenges. Our service’s policy & procedures have in the past tended to evolve in response 	<ul style="list-style-type: none"> This will be provided by recently agreed Housing Strategy, which this business plan will be linked to. We must refocus and rationalise our approach, which will mean that certain services provided will either have to change, cease, or be provided by others, whilst others, may be enhanced.

	and not be sufficiently planned. As a result, our systems tended to undertake work beyond the landlord responsibility, be too aspirational and less cost effective.	
Technical	<ul style="list-style-type: none"> Historically we have tended to avoid risk but recognise that we must in some cases face and take managed risks, where we can apply effective risk assessment and management controls, this will impact on our changing organisational culture. Our ICT services, have not been used to the fullest capacity and not enabled to support greater levels of efficiency. 	<ul style="list-style-type: none"> A strong and effective risk management culture is essential, and will be culturally ensured. We seek a service focussed on outputs and outcomes (underpinned by good risk management principles), but where perceived risk, or fear of failure or repercussions, does not stop service delivery progress. Two business cases have been provided to SLT and will be considered when the newly appointed transformation director is in post.

Opportunities

A greater focus on income generation for the Authority that supports and continues to maintain our focus on providing quality services to tenants, will enable us to generate higher additional sources of income to support the strategic priorities of housing supply and investment. These opportunities are currently limited, and include garage sites, other land assets, and some parts of our housing stock, which cease to have even medium term viability. However, the in-sourcing of the Responsive Repairs and Maintenance Service in 2020 will bolster this in many ways by adopting a more business-like approach to services to a wider audience.

Technology offers us long term savings through higher levels of efficiency, automation, mobile working and 'channel shifting' – moving our interaction with customers onto more efficient platforms such as the greater use of on line services. This will be driven by the new Director of Transformation in terms of shape and viability.

Threats

We still face significant change as a landlord within the social housing sector, with the need to ensure that our service delivery plan is intuitively responsive to the challenges,

updated regularly and effectively maintains a balance between income projection and planned expenditure. Our external business environment will evolve rapidly requiring us to continually review and revise our analysis of it and its impact on our service, making changes as appropriate, in response to these and in the best interests of our service and its sustainability.

Our housing policy must be reviewed and focussed on what we realistically should do, and in doing so, remove unnecessary and wasteful effort which is not the landlord's responsibility or in the interests of the landlord to do, is the responsibility of or should otherwise be done by others. We recognise the benefit of greater partnership working with colleagues, tenants, members and stakeholders to enable and achieve this efficiency.

Undertaking an analysis of our strengths and weaknesses, we can identify the following:

Our ability to meet the challenge

We regularly review the service and its organisational structure and culture, enabling us to assess how well we are able to respond to the opportunities and threats both current and future.

Holding our organisational culture under continued internal scrutiny, we actively seek to enhance it, and in so doing focus on the reinforcement of strong shared values amongst all staff, which recognise the importance of the tenant and getting our service to the customer 'right first time' and that we work in an environment that does not hide behind procedures and which positively challenges the way we do things at all levels, recognising that what we are employed to do is to deliver 'outcomes' and 'outputs', delivering wherever possible the very best return on our investment. This does not mean that we forget the importance of having a good systematic approach which is underpinned by effective risk management.

In achieving the above, we recognise and will ensure that our management style supports this culture, being 'result' focussed and supporting continual systemic challenge, to deliver continual improvement and efficiency, supporting and empowerment staff in this aim. We will invest in management and staff development to support the achievement of this.

What are we good at?

We recognise that almost anything can be considered a resource if it contributes to performance and the achievement of goals, this includes: equipment, staff, formal structures all of which are classed as 'tangible resources', but we also recognise that 'intangible resources' can also play a part and probably more so. These include those things we might simply be good at and which support effective service performance.

These include:

Working together: the housing service has become increasingly effective at joint and shared working, moving away from its teams having a single issues focus, 'silo' working, etc. The service is migrating towards a shared approach and shared objective working extremely well with other services in particular, Revenues and Benefits and Community Services. An example being the approach to providing temporary accommodation by Tenant Services working with Housing Advice.

Effective management: our management team work effectively and closely together in an increasingly shared value and supportive manner. Demonstrating a high standard of leadership and achieved good results in doing so.

Income Management – crucial to the delivery of the service as we can't deliver repairs, planned works, new build and special projects without sufficient income.

Gas servicing – satisfaction levels are extremely high and again provide an opportunity to generate additional income should the service be grown into the private sector and also corporate assets.

What do we need to improve upon?

Our approach to income generation, but perhaps more specifically, our willingness to translate business awareness into financial opportunity based strategy: having identified this as an opportunity, we need to ensure we are able to make the best use of it.

Maximising the benefit we get from IT solutions: acknowledging that current systems have issues, recognise that it is not being used to its fullest potential to support business objectives.

Setting clear priorities and sticking to them: we have many priorities, which have in the past been added to without basis in sound business principles. This Delivery Plan intends to change this.

Developing stronger links with the Council's other housing functions, e.g. housing strategy, housing advice, private sector housing, etc.

Our key Strategic Objectives

Following a period of consultation in the summer of 2019 with tenants and leaseholders and the application of the STAR survey, members of Housing Committee and the Housing Review panel have agreed and recommended the following key goals as its objectives for the medium term, these are:

- **Improve tenant satisfaction and culture exploring different avenues and opportunities to build, enhance and grow communities**

The STAR survey of 2019 clearly shows dissatisfaction around specific areas of delivery by the council and its contractors including grounds maintenance, communal cleaning, and communication with officers and services of the council.

- **Sheltered Housing**

Delivery of the older person's strategy and action plan over the next 5 years including the current programme to modernise our sheltered stock and the quality of the 'housing offer' we can make to current and prospective new independent living (sheltered) tenants is strongly supported. We will seek to redevelop a small number of schemes, which have been identified as no longer viable, where new homes will be built, either for sale, shared ownership or rental.

- **New development**

We will investigate and explore opportunities to build new homes adding to our existing housing stock, working with corporate colleagues, partners and other providers. The homes will be adaptable, flexible and energy efficient to deliver sustainably modern future proofed homes delivering where practical, lifetime homes standards and planning for future provision of electric vehicle charging points, while aspiring to deliver ever growing needs of the district and ensuring that we address the move towards being a carbon neutral district by 2030. A development strategy for new council homes is being drafted to inform what we build and where the needs that we wish to address and the quantity and quality to be achieved.

- **Investment in sustainable and attractive estates and stock**

Analysis of the green areas of HRA land in the district and consider conversion of unused green spaces to pasture land, re-wilding projects and community gardens and allotments, this approach works hand in hand in regeneration projects and this should form part of the consultation and decision making process to ensure we deliver aesthetically pleasing, functional and useful land to the community at low cost to the HRA. In the short to medium term the HRA remains financially strong and will allow the council to continue to invest around £30 million over the next 5 years to repair, maintain and invest in its current stock, the updated energy strategy will inform some of the direction subject to detailed analysis of cost and overall benefit. This will also be supported by the insourcing of the repairs and maintenance project and the planned works programme.

- **Implementation of the updated energy strategy**

The updated energy strategy shows a number of options and opportunities for approach, change in direction and any adoption of new sustainable technology, which will be subject to financial support through revision of budgets.

Delivering our priorities

Ensuring they are budgeted and resourced

This delivery plan is essentially a documented statement of what our medium term objectives are and how we will deliver them (within a consistent, annually reviewed, sustainable and budgeted long term plan). It will identify external challenges and internal ability to respond to these in a manner that allows us to deliver service objectives to our tenants, manage risk, and be prepared for the future.

This section will now address our medium term service objectives, but first, will quantify our resource availability.

Medium Term Financial Plan (MTFP)

	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24
	Base	Revised	Base	Forecast	Forecast	Forecast
Income	(22,325)	(22,325)	(22,943)	(23,271)	(23,983)	(24,566)
Expenditure	9,948	10,061	9,946	10,155	10,513	10,808
Other income and expenditure	12,501	12,501	12,427	12,954	12,936	13,664
Total Housing Revenue	123	236	(570)	(162)	(533)	(94)
Account						
Transfers to/(from) earmarked reserves	(226)	(286)	431	(1,635)	(934)	(150)
Transfers (to)/from general reserves	(103)	(50)	(139)	(1,797)	(1,467)	(245)

We have made a balanced set of assumptions, weighing up both the caution and optimistic based views, to decide upon the following MTFP assumptions:

Income related assumptions

Rental increases are expected to be based on CPI+1% after 2020.

Rental income The HRA faces risks caused by the wider roll out of universal credit; however, the operation of specialist income officers minimises this risk. The trend within universal credit areas for rental income to fall by at least 2%, may in part be avoided as a result of the preparation we have put in place for its management and so

whilst we expect income to fall initially, we believe that we can bring it closer to current performance levels over time.

However, the current MTFP assumes a 99% collection rate, whilst actual collection over recent years has sustainably been held at 98.7%. for the purpose of our model, we believe that 98% would be a realistic assumption for collection for the period covering the first full financial year after UC roll out within the Stroud District.

RTB sales which have tended to quite consistently be 25 per year are expected to continue at that rate despite the uncertainties around a snap general election on 12 December 2019, Local elections in May 2020 and the unknown implications of Brexit.

Land and property sales – Capital receipts

Delivery of the in sourced responsive repairs and maintenance service has a prescribed budget that identifies savings, however in year one during implementation there may be unknown factors which affect delivery including TUPE, supply chain issues as a result of Brexit and the general and local elections.

Delivery of objectives

Identifying and delivering our agreed main priorities as follows:

Improve tenant satisfaction and culture exploring different avenues and opportunities to build, enhance and grow communities

We will identify the key areas of concern from our residents and take a planned and targeted approach to ensure a resolution and thereby improving satisfaction with the Councils Services including:

- Targeting bin store areas and their use.
- In conjunction with Neighbourhood Wardens take a punitive approach to persistent offenders of fly tipping.
- Facilitate neighbourhood or community groups to self-manage their communal areas.
- Pride in your Neighbourhood events including reinstating the garden competition.
- Work collaboratively with support services, contractors and our in-house repairs & maintenance service to identify improvements and plan in the short, medium and long term following consultation with communities as to the best approach
- Promote ownership with communities.
- Identify and work with partner agencies such as the NHS, health & wellbeing and local businesses.

Risks

- Little or no engagement from communities
- Staff resource to deliver programmes and projects

- Partners and stakeholders not engaging
- Additional as yet undefined budget increases

Sheltered Housing

Following the recently agreed Older Persons Strategy and action plan (2019) we will continue to deliver the actions outlined to improve the service transitioning from perceived institutionalised sheltered housing to independent living incorporating choice and flexibility to current and future tenants by:

- Continuing the redevelopment of the current programme within the prescribed budget and suitably resourced.
- Seeking to finance the project beyond the MTFP.
- Deliver the action plan within the timescales set out with an annual report to Housing Committee on progress.
- Working with the NHS to obtain funding for preventative adaptations and measures to reduce A&E submissions through slips, trips and falls.
- Identify future need of tenants and enable appropriate changes and or mechanisms to ensure that homes are fit for purpose and flexible.

The Project risk register on Excelsis holds all relevant information and analysis

New development

We will investigate and explore new and innovative opportunities to build new homes adding to our existing housing stock, we will achieve this by:

- Working with corporate colleagues, partners and other providers to deliver sustainably modern homes that have a high energy rating by way of thermal efficiency in line with the new energy strategy.
- Future proofing our new homes with electric power points for vehicles and mobility scooters.
- Ensuring we plan homes with larger doorways to accommodate future adaptations as a result of disability or poor health.
- Ensuring the approach to new build supports the target to be carbon neutral by 2030.
- Seeking to finance the programme beyond the MTFP.

The Project risk register on Excelsis holds all relevant information and analysis

Sustainable and attractive estates

Recognising the amount of green spaces we have and the associated costs for grounds maintenance and direct costs to tenants and some leaseholders (depending on their lease agreement) should we de-pool rents and service charges we must consider alternative uses and social value to our communities, we will achieve this by:

- Identifying areas of green space that may be used for pasture land, re wilding projects, community gardens and allotments.
- Develop community groups to engage, ensuring that whatever the outcome the community is satisfied it is the correct approach and has sustainability.
- Encourage and support community groups to take pride in their estates including an addition to the garden completion in areas such as best kept streets/estates.
- Develop community based assets encouraging play for young and old supported by Health & Wellbeing colleagues and stakeholders.
- Encourage ownership of estates by residents including volunteer programmes and work with schools.

Risks

- Little or no engagement from communities
- Staff resource to deliver programmes and projects
- Partners and stakeholders not engaging
- Resistance to change from current green spaces by tenants and residents despite the financial risks following de-pooling

Strategies linked to this plan:

- Capital Strategy
- Housing Strategy
- Older persons housing strategy
- Corporate Asset Management Strategy
- New Gloucestershire Health and Wellbeing Strategy
- Corporate Delivery Plan – 2019-2020

Future review and updating of this document

The action plan will be revised annually and approved at the first Housing Committee of each calendar year.

In order that it remains business relevant and makes a genuine contribution to the quality security and sustainability of the service, it will remain under ongoing review, taking into account emerging external and internal environmental threats and opportunities. These will be reviewed by the Housing Service Management Team, who will take any necessary action in response, with reference to Senior Leadership Team and Housing Committee where appropriate.

The annual review will revise our understanding of the business environment, consider changes needed, identify and make best use of learning gained over the previous year and to close target actions completed over previous year, updating the document with new actions required for the next year.

Document Control

Action	Responsibility	
Approval	Housing Committee	Governance
Delivery Managers	Kevin Topping	Head of Housing Services
	Allison Fisk	Head of Property Services
	Joe Gordon	Head of Contract Services
	Leonie Lockwood	New Homes & Regeneration Manager
Administrator	Kev Topping	Head of Housing Services