

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	City Growth & Resources
<b>DATE</b>	18th September 2018
<b>REPORT TITLE</b>	2018-2048 HRA Business Plan
<b>REPORT NUMBER</b>	CUS/18/145
<b>DIRECTOR</b>	Andy MacDonald
<b>CHIEF OFFICER</b>	Derek McGowan
<b>REPORT AUTHOR</b>	Helen Sherrit
<b>TERMS OF REFERENCE</b>	2.2

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### **1. PURPOSE OF REPORT**

- 1.1 To present to Committee details of the strategic review of service delivery in relation to the Housing Revenue Account.

### **2. RECOMMENDATION(S)**

That the Committee:

- 2.1 Approve the HRA Business Plan appended to this report.

### **3. BACKGROUND**

- 3.1 Council on 22 February 2017, resolved amongst other things to instruct the Interim Director of Communities, Housing and Infrastructure to undertake a full strategic review of service delivery in relation to the Housing Revenue Account and report back to the Communities, Housing and Infrastructure Committee on 8 November 2017. It was agreed that the final report would be produced following the budget process in February 2018. This report details the result of the Strategic Review.
- 3.2 The Business Plan sets out Aberdeen City Council's plans for managing and maintaining the housing stock of over 22,000 rented properties held in the Housing Revenue Account (HRA).
- 3.3 It also addresses how the fund will be managed to ensure maximum value is achieved throughout the projected 30 year cycle. Its fundamental purpose is therefore to demonstrate and ensure the efficient use of the Authority's housing assets and rental income. The Business Plan is designed to set out the strategic goals of the Council's Housing Service and measure progress toward achieving these goals, and provides a realistic appraisal of how these strategic goals will

be achieved within the limitations of available funding and the predicted economic climate.

### **30 YEAR BUSINESS PLAN**

- 3.4 The Business Plan (attached as Appendix A) details the following –
- 3.4.1 The context of the national, regional, and local factors affecting our provision of housing stock.
  - 3.4.2 The vision and core objectives of our housing management plans that are linked to the strategic aims of the Local Outcome Improvement Plan (LOIP) and other strategies and policies affecting our service.
  - 3.4.3 An assessment of our housing management and maintenance in terms of asset management, how we work, our service performance, tenant participation and partnership working.
  - 3.4.4 Our financial plans to provide a realistic assessment of our potential to meet our objectives within the limitations of funding available.
  - 3.4.5 Our improvement plans and actions to work towards meeting our vision and core objectives.

### **4 FINANCIAL IMPLICATIONS**

- 4.1 All financial implications are contained within the Business Plan they relate to specifically to the 30 year Financial Plan which contains assumptions on rental and debt levels, capital and revenue expenditure.

### **5 LEGAL IMPLICATIONS**

- 5.1 There are no direct legal implications arising from the recommendations of this report.

### **6. MANAGEMENT OF RISK**

	<b>Risk</b>	<b>Low (L), Medium (M), High (H)</b>	<b>Mitigation</b>
<b>Financial</b>	Costs will increase and unsustainable due to assumptions within the 30 year Financial plan not being realistic or that they are not achieved.	M	Review plan on an annual basis
<b>Legal</b>	None identified.		

<b>Employee</b>	If the plan is not implemented employee morale is reduced since the plan for managing and maintaining the housing stock will not be fully demonstrated.	M	All staff advised of the Housing Business Plan where required.
<b>Customer</b>	There is a risk that the customer benefit from the council is compromised if resources are misdirected and don't achieve the strategic goals of the Council's Housing Service.	L	All staff advised of the Housing Business Plan where required.
<b>Environment</b>	None.		
<b>Technology</b>	None.		
<b>Reputational</b>	Without an appropriate Business Plan the Council's reputation as an effective and responsible social landlord could be questioned.	L	All staff and Elected Members advised of the Housing Business Plan where required.

## 7 OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous People</b>	Recognising that good quality Housing is a key driver of Public Health and can affect the wellbeing of tenants in all areas of life including educational attainment, employment, and physical and mental health.
<b>Prosperous Place</b>	A core aspect of the interim structure of the Early Intervention and Community Empowerment structure and culture is community sustainability, and the management of the Housing Revenue Account, is important in this context.
<b>Prosperous Economy</b>	The purchasing power of the HRA creates a positive impact on the economy.
<b>Enabling Technology</b>	Recognising the benefit of digitisation to support efficient networking, communication and learning will improve how technology is enabled for staff and citizens.

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	Housing Business Plan does align to networking, communication and learning opportunities that support customer service design e.g. early intervention and prevention, data management and are aligned to good customer service.
<b>Organisational Design</b>	This promotes quality relationships between tenants and the Council - a landlord. This is a core aspect of the interim structure of the Early Intervention and Community Empowerment structure and culture.
<b>Governance</b>	This continues robust management of the HRA account.
<b>Workforce</b>	Housing Business Plan should align with workforce principles e.g. flexibility and empowerment.
<b>Process Design</b>	The Business Plan should be effective in enabling the most efficient method to be used, ensuring responsibility and accountability for travel costs and an objective consideration of the cost/benefit of travel is undertaken.
<b>Technology</b>	Business Plan priorities should maximise effective use of technology.
<b>Partnerships and Alliances</b>	Business Plan priorities should maximise the opportunity benefit of partnering eg combined housing list.

## 8 IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Assessment</b>	Not required.
<b>Privacy Impact Assessment</b>	Not required.
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable.

## 9 BACKGROUND PAPERS

Contained within the Appendix.

## 10 APPENDICES (if applicable)

Appendix A: 2018-2048 Housing Revenue Account Business Plan 2018-2048

## 11 REPORT AUTHOR CONTACT DETAILS

Name: Helen Sherrit  
Title: Finance Partner  
Email Address: [hsherrit@aberdeencity.gov.uk](mailto:hsherrit@aberdeencity.gov.uk)  
Tel: 01224-346353