

Annual Refresh, Housing Asset Management Plan (2025-2030)

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Lead Member/Relevant Portfolio Holder	Leader of the Council - Portfolio Holder for Housing, Leisure & Landlord Services

Corporate Priority:	High Quality Homes and Landlord Services
Wards Affected:	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No
Key Decision:	Yes
Subject to call-in:	Yes

1 Summary

- 1.1 The Housing Asset Management Plan supports the safe, efficient, and effective management of council homes. It provides a framework through which the investment and improvement commitments set out within the council's [Housing Revenue Account Business Plan 2022 – 2052](#) will be implemented.
- 1.2 The Asset Management Plan and associated capital programme covers a five year period and is updated each year to add a new 'fifth' year through an annual refresh of the plan, to ensure it remains relevant and that progress can be monitored.
- 1.3 This report sets out the second annual refresh of the Housing Asset Management Plan and associated capital programme, covering the period 2025-2030.

- 1.4 Refreshing and delivering the Housing Asset Management Plan ensures the Council is clear on how it will invest in tenants homes, ensuring homes meet the required standards and that finances are managed appropriately.
- 1.5 Refreshing the Asset Management Plan on an annual basis enables continued focus on investment in council homes and keeping tenants safe whilst taking account of the economic and regulatory context within which the council delivers its services and the long term trajectory for the Business Plan and the financial health of the Housing Revenue Account.
- 1.6 The Asset Management Plan forms a key part of the Council's budget setting and budget management arrangements. Updating it on an annual basis ensures it remains current, relevant, and can respond in real time to a changing financial context and regulatory environment.
- 1.7 Continued positive progress has been made through the delivery of the current Asset Management Plan. As a result, the council can confidently report significantly improved levels of homes meeting the decent homes standard, accurate and timely delivery of capital programme commitments and continued high levels of health and safety compliance.
- 1.8 The additional areas of investment in council homes in 2025/26 show the positive trajectory for the Housing Revenue Account, enabling the Council to invest in and deliver on things that matter to tenants and will also support an increased position of forward planning, using repairs data to inform investment in things that should in turn, reduce future repairs issues and costs. A number of actions to assess the condition of non-traditional build homes and non-housing assets such as garages have been completed, enabling evidence led commitments and investment proposals to be built into the annual refresh of the plan.

2 Recommendations

That Cabinet:

- 2.1 **Note the progress made on delivery of the HRA Asset Management Plan during 2024/2025 and updated trajectory for the HRA Business Plan.**
- 2.2 **Endorse the HRA Asset Management Plan refresh (2025-2030) and associated capital programme**
- 2.3 **Delegate to the Director for Housing and Communities, in consultation with the Director for Corporate Services and Portfolio Holder for Housing, Leisure and Landlord Services, authority to apply for, accept and implement investment in tenant's homes through the Social Housing Decarbonisation Fund.**
- 2.4 **Approve in principle, to convert the Fairmead Community Centre and Douglas Jane Community Room to enable the provision of three additional housing units, subject to financial viability being confirmed, and;**
 - 2.4.1 **Delegate to the Director for Housing and Communities, in consultation with the Director for Corporate Services and Portfolio Holder for Housing, Leisure and**

3 Reason for Recommendations

- 3.1 Refreshing the Asset Management Plan on an annual basis enables continued focus on investment in council homes and keeping tenants safe whilst taking account of the economic and regulatory context within which the council delivers its services and the long term trajectory for the Business Plan and financial health of the Housing Revenue Account.
- 3.2 The Asset Management Plan shows how the council will manage compliance with regulatory requirements and meet the decent homes standard across council housing stock. It also refreshes and sets out a clear action plan for future investment, responds to a changing regulatory context, reflects up to date operating costs and plans capital spend accordingly. It enables inclusion of key projects and programmes of work.
- 3.3 Having an Asset Management Plan in place helps to provide a good framework for capital investment planning and a framework through which the council can demonstrate progress and continued compliance and enables a short, medium and long term view on the financial sustainability of the HRA and any adjustments required.
- 3.4 Having a solid understanding of data on the condition of housing stock and plans to invest in and ensure homes meet the decent homes standard is an important regulatory requirement. The Council is in a robust position, evidenced by the recent regulatory inspection, and must continue to deliver on its plans and commitments.

4 Background

- 4.1 The Council has maintained its commitment to High Quality Homes and Landlord Services within its new Corporate Strategy (2024 – 2036) and to be a responsible and effective social landlord, with a mix of housing that can meet the needs of the community and can support people in creating happy, healthy, and diverse communities within the borough. The Asset Management Plan continues the work set out in the HRA Business Plan and supports a proactive and assurance led approach to Housing. It supports the Council to achieve its commitments to deliver high quality council homes across the Borough and to manage available finances and associated capital investment plans effectively.
- 4.2 This report introduces the second planned annual refresh of the HRA Asset Management Plan, meaning that the plan will cover the period 2025-2030. The refreshed Asset Management Plan (2025-2030) can be found at Appendix A of this report. It includes an updated action plan and capital programme. The changes to the Plan are shown as highlighted in grey.
- 4.3 Refreshing the plan enables continued focus on investment in council homes and keeping tenants safe. It shows how the council will manage compliance with regulatory requirements and meet the decent homes standard across council housing stock. It also refreshes and sets out a clear action plan for future investment, responds to a changing regulatory context, reflects up to date operating costs and plans capital spend accordingly. It provides confidence that the Council knows its housing stock and has robust plans for investment in tenants homes.

- 4.4 The Asset Management Plan is an evidence led document. It is informed by a comprehensive condition survey of almost 93% of the Council's housing stock, in addition to specific surveys on 100% garages and a sample of each type of non-traditional homes.
- 4.5 Stock condition surveys of 20% council homes now take place every year, to ensure good quality and up to date stock profile information at all times – this is a key regulatory requirement. The Council's recent inspection from the Regulator for Social Housing (RSH) identified this as an area of particular strength and sector leading position. In 2023/24 around 350 homes were surveyed as part of the rolling stock condition survey programme. The stock condition surveys include a Housing, Health and Safety Rating System (HHSRS) assessment, enabling robust and timely response to any specific hazards or risks identified through the surveys.
- 4.6 The refresh of the plan provides updates and responses to policy recommendations arising from the long term HRA Business Plan, ensures an emphasis on decent and safe homes, and is set within the context of regulatory change to enable continued compliance and tenant safety.

5 HRA Asset Management Plan Refresh – Key Achievements in 2024/25

- 5.1 The Council is now experienced in delivering, monitoring and reviewing its approach to Housing Asset Management. Taking an evidence-based approach is enabling the Council to set and deliver confidently against a capital investment programme as detailed within the Asset Management Plan.
- 5.2 One way in which we monitor the quality of our homes is through their 'decency'. This is largely aligned with the Government Decent Homes Standard and highlights any properties which have several key components such as kitchens, bathrooms, windows etc. that may require replacement. The standard sets lifespans for these components, and these are replaced on rolling schedule. This means that every year properties become 'non decent' as these components age and require replacement. As of 1st April 2024, the Council's percentage of decent homes was 95.7% (meaning that 4.3% did not meet the Decent Homes standard and require further investment and improvement). This is a key area of focus for the council, with the capital programme designed to ensure all properties meet the required standards.
- 5.3 It should be noted that a national change to the Decent Homes Standard is being considered. The Council's approach to modelling and assessing the implications of any changes is set out in the risk section of this report (Section 19).
- 5.4 Through the 2023/24 Capital Programme, the Council delivered the following for tenants:
- 5.4.1 96 new kitchens
 - 5.4.2 61 new bathrooms
 - 5.4.3 105 properties with new windows
 - 5.4.4 82 new external doors installed
 - 5.4.5 124 boiler upgrades
 - 5.4.6 12 full heating system upgrades
 - 5.4.7 Installation of a new fire alarm system in a sheltered scheme
 - 5.4.8 Significant improvements to fire safety in flats and communal areas
 - 5.4.9 Digital aerials installed for all of our tenants living in communal blocks

- 5.5 The work to improve outbuildings has been particularly successful. In 2023 it was identified that some of our outbuildings that are part of our blocks of flats were in poor condition and creating anti-social behaviour issues. We consulted with tenants on the options available, which included refurbishing them and improving security, or demolition and leaving the area open. Tenants told us that they wanted to keep the outbuildings as they are useful storage, which helps to support our fire safety strategy of sterile zones in communal areas. A budget was created for 2024/25 and the work has now been completed, with newly refurbished outbuildings now being allocated to tenants.
- 5.6 A number of the Council's Housing Services were included within the 2024/25 Internal Audit Plan, with outcomes providing positive assurance of the work linked to delivery of a number of areas of the Housing Asset Management Plan:
- Housing Repairs and Voids
 - Planned Maintenance
 - Landlord Health and Safety
 - Preparedness for Regulatory Change
- 5.7 A progress update on the HRA Asset Management Plan can be found at Appendix A of the draft refresh of the plan (pages 45-51 of the Asset Management Plan).

6 HRA Asset Management Plan – What's New / Changed for 2025 - 2030?

- 6.1 The overall HRA Asset Management Plan remains largely unchanged but builds upon the activities and increased knowledge, data and evidence from work undertaken since approval of the HRA Business Plan. This is as expected and shows a confident evolution and maturity in this area of work. Some areas of work have been adjusted (for example timescales) based on the updated information available.
- 6.2 The **overall investment plan** now benefits from a smoothed investment profile, removing previous spikes in investment. This has helped to smooth the overall financial profile for the HRA over the period of the long-term Business Plan.
- 6.3 The refreshed Housing Asset Management Plan builds on the increased knowledge gained from delivery of the previous commitments, leading to the inclusion of an updated Investment Plan and hierarchy to support prioritisation of funding and commitments. The refreshed Housing Asset Management Plan is based on updated stock condition data and additional information gained following surveys and analysis of garages, non-traditional properties, energy efficiency and the wider stock.
- 6.4 The refreshed five-year capital programme is an updated investment plan which includes funding for strategies that were developed in 24/25. The plan:
- a) Shows how the financial headroom that we have identified will be invested and prioritised.
 - b) Meets the affordable parameters of the HRA.
 - c) Prioritises expenditure in accordance with our priorities.
 - d) Links into asset performance modelling and protects the business against unnecessary investment in unsustainable assets.
 - e) Develops an efficient programme in terms of delivery.

- f) Creates packages of work for upcoming procurement exercises to support the aim of generating value for money savings.
- g) Develops a more holistic approach to capital and revenue spend with the aim of reducing the high revenue costs we currently have.

6.5 The factors that are considered and included in the hierarchy are:

- a) Statutory compliance relating to the health and safety of our tenants.
- b) Works necessary to meet lease requirements and / or avoid statutory disrepair.
- c) Decent homes standard.
- d) Works necessary maintain an income stream.
- e) Work necessary to fulfil existing policy commitments.
- f) Works required to maintain the full life of components and / or to replace components that are driving high cost / failures.
- g) Energy efficiency improvements.
- h) Environmental work (non-Health and Safety)
- i) Other improvement and customer priorities.

6.6 Key updates for the refreshed Housing Asset Management Plan forming the capital programme and budget proposals are outlined below:

6.6.1 **Windows and Doors**

6.6.2 Positive progress has been made against the commitment (informed by tenant feedback) to replace aluminium windows and doors by March 2024.

6.6.3 However, some properties are still being found to have small numbers of aluminium windows. This is because the original stock condition survey for those properties did not highlight that there was a mix of windows and only highlighted the newer uPVC windows. The remaining aluminium windows that we are aware of have now been recorded and included in the investment plan for 2025/26.

6.6.4 In normal circumstances, windows and doors will be replaced when they are 30 years old. Windows will be replaced with double glazed uPVC windows. Doors will be replaced with GRP composite doors to the front of the property and uPVC doors to the rear.

6.7 **Decoration of External and Communal Areas**

6.8 All properties are now included on a cyclical painting programme. This includes pre-paint repairs, external decoration of timber or render and washing down of cladding. The initial plan was to complete the cycle in five years; however, the level of work was more significant than expected due to the length of time since the last contract was in place. As a result, the cycle has been adjusted to seven years, which is a normal length of time, and a budget has been allocated for this. Tenants will be given a choice of colour for paint where possible.

This proactive work will help to reduce our responsive repair costs for timber repairs, protect our homes from future deterioration and improve the aesthetic of our communities.

6.9 **Garages**

- 6.10 The previous version of the Housing Asset Management Plan committed to a borough wide consultation to assess interest and demand for garages. This work has been completed. This consultation asked residents whether they would be interested in renting particular garages if they were in good condition. This provides us with a true reflection of the demand for garages at each location. We will now carry out a review of demand alongside the housing development strategy. Investment in garages will be prioritised as follows:
- Garage sites that are in good condition and high demand will be kept and refurbished where required.
 - Garages that are in poor condition and low demand will be considered for disposal or redevelopment (site by site basis).
 - Each site will be assessed on its own merits.
 - Due to the loss of income and potential anti-social behaviour associated with vacant sites, garages will remain in use until redevelopment or disposal is imminent.
 - We will retain garage sites that are viable for redevelopment as social housing.
- 6.11 We have now identified which garages require upgrade works and which garages can be considered for disposal. A budget of £25K per year has been included to improve garages and a separate proposal will be developed for Cabinet to approve the disposal of the garages in least demand and poorest condition.
- 6.12 **Non-Traditional Homes**
- Following the completion of structural surveys to inform future options for non-traditional homes, a plan to upgrade and ensure these homes remain structurally sound is included within the investment plan. We have included a budget of £125,000 in 25/26 for the work that is required to make our Swedish houses structurally sound. The work will also improve the thermal efficiency of homes. Following that we have included an annual budget to refurbish four of our 25 Airey houses per year. The work will involve the removal of the concrete frame and panels and replacement with a traditional cavity wall. On completion the properties will effectively be traditional properties with modern levels of insulation
- 6.13 Any external funding to support energy efficiency within Council Homes will also be prioritised for non-traditional homes, where energy performance is typically lower and more difficult to achieve.
- 6.14 **Bathroom Improvements, Sheltered Accommodation**
- 6.15 Following the review of Gretton Court bathroom facilities and successful programme to remodel and reconfigure flats to enable improved and self-contained bathing facilities within individual flats, it has been identified that other locations have shared bathing facilities and would benefit from a similar programme of work.
- 6.16 A review of sheltered housing assets will be completed to identify all properties that have shared bathing facilities, and a business case will be developed to provide individual facilities if feasible.
- 6.17 **Energy Efficiency and Decarbonisation**
- 6.18 The vast majority of our homes are assessed as performing at an energy efficiency rating of band C or D, which suggests that they will require minimal improvement to meet the national target of a band C. There are some properties that have been identified as a low

rating, which cannot be improved without significant investment. Long term strategies will need to be considered for these, which may involve redevelopment or disposal. We have worked with an energy performance expert to review our stock performance to help us to develop a long term strategy and our Asset Management Plan is clear that external funding will be required to achieve energy efficiency and decarbonisation aspirations.

- 6.19 Working with the Midlands Net Zero Hub, the Council is making preparations to bid into the next round of the **Social Housing Decarbonisation Fund** (SHDF Wave 3) which aims to:
- Upgrade a significant amount of the social housing stock currently below EPC rating C up to that standard
 - Deliver warmer and more energy-efficient homes
 - Reduce carbon emissions
 - Reduce energy bills, and tackle fuel poverty and support the creation of 'green' jobs
- 6.20 Approval is sought to apply for SHDF Wave 3 funding to complete £1.5million of energy efficiency improvements in Council Homes.
- 6.21 This would be made up of 50% external funding, and 50% match funding from the Council, for which budget provision has been made.
- 6.22 The bid focusses on wall insulation being provided to 80 of our poorest performing properties from an energy efficiency perspective. This will help us to meet the target of all properties having an EPC rating of C by 2030. Initial data has been submitted and an outcome is awaited before a detail submission can be made.
- 6.23 A large proportion of the properties included in the bid are our Wimpey No Fines properties, which are categorised by us as part of our non-traditional stock. These properties have solid walls and are one of biggest problems from a damp, mould and condensation perspective. This work would significantly reduce the likelihood of these properties suffering from damp and mould.
- 6.24 **Residential Conversion of non-housing assets**
- 6.25 It is proposed that during 2025/26, the Fairmead Community Centre and Douglas Jane Communal Room are converted to housing, to provide three additional homes for tenants. Budget provision has been made for the conversion works, and both proposals have been assessed as financially viable. Conversion of these non-housing assets into homes will create an opportunity to increase the council's housing stock and make best use of existing and underutilised assets.
- 6.26 **Chapel Street roof**
- 6.27 In 22/23 we re-roofed one of the blocks at Chapel Street and New Street. This was because it was in the poorest condition. The survey has identified issues with another block and recently repairs have been needed to the roof. We have included a budget to re-roof this block to enable a more sustainable and resilient solution. This will also include upgrading the insulation which will improve the energy efficiency and EPC rating.
- 6.28 **Digital upgrade to the sheltered scheme lifelines**
- 6.29 All lifeline services will need to be digital by 2027 (digital switchover). We have included a budget to start this work in 25/26. Lifeline is an important feature of the Council's sheltered housing offer.

6.30 **Entrance doors to communal staircases**

6.31 We have number of sites where we have high demand for communal door repairs. These create a drain on the repairs budget and create inconvenience / security issues when the doors are awaiting repair. We have included budgets from 26/27 onwards to upgrade communal entrance doors, prioritising the ones that are in the poorest condition / highest repair liability, leading to a more sustainable and resilient position, and better value for money.

7 Changing National and Regulatory Context

7.1 There are many external factors and regulatory changes that will impact on the delivery of this plan, the implications of some, which are not yet fully known across the housing sector. However, the additional key areas that need to be taken into account include:

- a) Fire Safety Act 2021
- b) Building Safety Act 2022
- c) Social Housing (Regulation) Act 2023
- d) Clean Growth Strategy 2021
- e) Quality Lifetime Homes – the future of the Decent Homes Standard
- f) Future Homes Standard 2025
- g) Regulator of Social Housing Sector Risk Profile

7.2 This plan must remain agile to account for future updates and progress with these key policy issues.

8 HRA 30 Year Business Plan – Financial Sustainability and Progress Update

8.1 The Council approved a long-term (30 year) business plan for the Housing Revenue Account in 2022, through which delivery is supported by the Housing Asset Management Plan.

8.2 Set within a changing regulatory context and challenging financial and operating context, the Business Plan recognised the need to manage resources carefully. The Business Plan showed that the management and maintenance of council homes is affordable over the 30-year period and that the Council can meet current regulatory requirements. However, it also identified that careful financial management is required. Rents need to be maximised, and resources need to be carefully managed. The Business Plan sets out an evidence base and shows how investment will be prioritised, based on regulatory compliance, decent homes standard and prioritising ‘choices’ for investment in line with tenant aspirations.

8.3 In 2025/26 the HRA Business Plan will be entering year 3 (of 30) of delivery.

8.4 The long term trajectory for the financial stability of the HRA remains positive. The 23/24 rent cap, in addition to inflationary pressures and operational income management pressures had created a risk of a deficit position within the HRA in years 10 and 11 of the business plan and, as set out in the previous annual refresh, work has now been undertaken to enable a planned and strategic approach to smooth the investment programme over the long term whilst also continuing to strengthen income management, to avoid a deficit position occurring. This work has been positive leading to the avoidance

of a projected deficit, and the trajectory has been updated accordingly. See financial implications section of this report (Section 12) for more information.

9 Options Considered

- 9.1 The Council could choose not to refresh the Asset Management Plan. This is not recommended. It is a key requirement of the HRA Business Plan approved by Council in July 2022 and is necessary for short term financial planning and longer term forward planning.
- 9.2 Having an Asset Management Plan enables more robust capital programme planning and monitoring, ability to provide assurance relating to stock investment and ability to maintain health and safety and regulatory requirements and ability to profile and proactively manage any changes as a result of a changing financial and regulatory context. It also demonstrates how tenant views are incorporated into strategic planning and investment options for their homes.

10 Consultation

- 10.1 Tenant feedback has informed the development of the refresh of the action plan and also responds to consultation on the HRA Business Plan. The refresh progresses commitments made in line with this feedback.
- 10.2 Our Tenant Satisfaction Measures survey results for 2023/24 showed us that 67% of tenants are satisfied that their home is well maintained. This compares to a median figure of 69.3% in July 2024. Whilst significant improvements have been made to our tenants homes, this shows that there is still a need to focus on this area. The Asset Management Plan has a clear focus on improving the safety and quality of the homes that our tenants live in.
- 10.3 Specific consultation on the refreshed plan has not been carried out, however, an overview of the refresh of the Housing Asset Management Plan has been presented to the Landlord Assurance Board, at which tenant representatives were present and engaged.

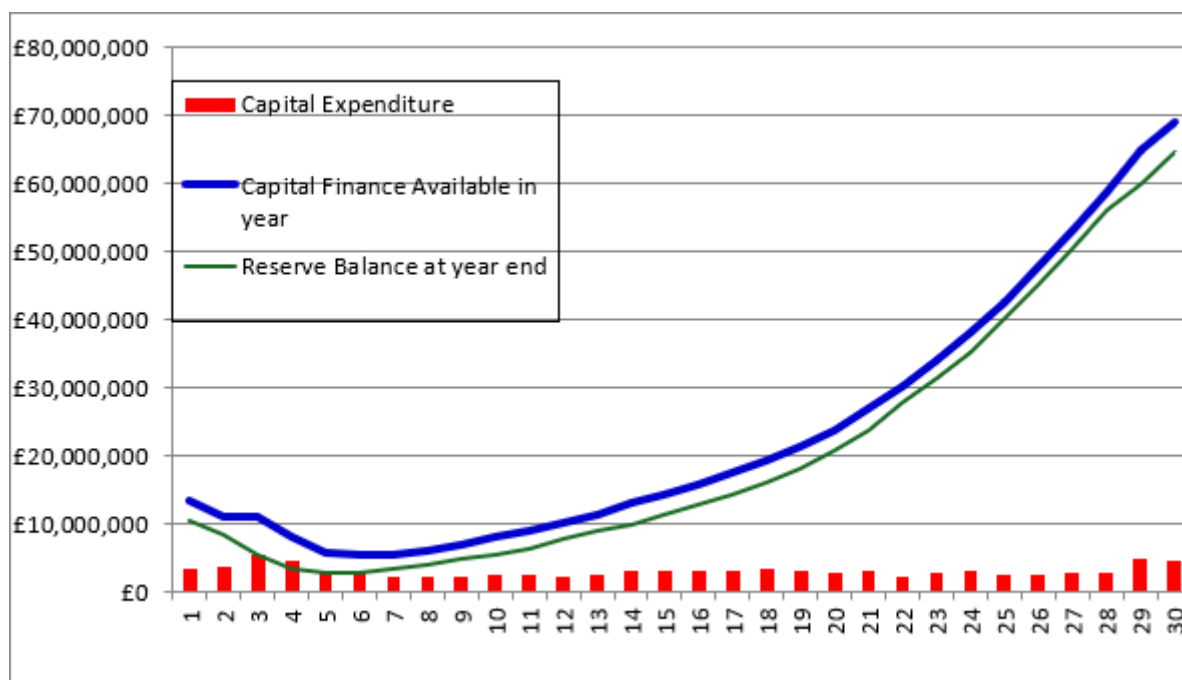
11 Next Steps – Implementation and Communication

- 11.1 The Capital Programme and associated budgets are to be approved for inclusion within budget proposals for the financial year 2025/26 which will be considered by Council in February 2025.
- 11.2 The details of the refreshed Asset Management Plan and associated investment commitments will need to be shared with the Council's tenants and leaseholders in a clear, accessible, and meaningful way. The Plan should also be shared widely with the Council's staff and partners. Further to feedback from tenant representatives, bringing the delivery of the Housing Asset Management Plan to life by helping tenants understand what it means for them and their homes will be key.
- 11.3 The Asset Management Plan will be reviewed every year to ensure the five-year capital programme is up to date and current, taking account of any legislative changes and the outcomes of the actions identified in the action plan.
- 11.4 Further to feedback from tenant representatives, bringing the delivery of the Housing Asset Management Plan by helping tenants understand what it means for them and their homes will be key.

12 Financial Implications

- 12.1 Set within a changing regulatory context and challenging financial context, the HRA Business Plan recognised the need to manage resources carefully. The 5-year projections are used to inform the annual revenue and capital budgets and the Council’s capital strategy.
- 12.2 The Business Plan shows that the management and maintenance of council homes is affordable over the 30-year period and that the council can meet current regulatory requirements. However, it also identifies that careful financial management is required. Rents need to be maximised, and resources need to be carefully managed. The Business Plan sets out an evidence base and shows how investment will be prioritised, based on regulatory compliance, decent homes standard and prioritising ‘choices’ for investment in line with tenant aspirations.
- 12.3 The HRA Business Plan and Asset Management Plan provide an important mechanism for ensuring that the Council’s housing stock is well managed and maintained, and that investment is made to ensure the safety of residents.
- 12.4 The HRA should be self-funding and continuous review of the financial position of the HRA is required to ensure this.
- 12.5 In 2025/26 the HRA Business Plan will be entering year 3 (of 30) of delivery. The long term trajectory for the financial stability of the HRA remains positive. The 23/24 rent cap, in addition to inflationary pressures and operational income management pressures had created a risk of a deficit position within the HRA in years 10 and 11 of the business plan and, as set out in the previous annual refresh, work has now been undertaken to enable a planned and strategic approach to smooth the investment programme over the long term whilst also continuing to strengthen income management, to avoid a deficit position occurring.
- 12.6 This work has been positive leading to the avoidance of a projected deficit, and the trajectory has been updated accordingly.

The graph below shows the financial viability over the 30 years of the business plan.



- 12.7 The report considers external funding opportunities, for example, through the Social Housing Decarbonisation Fund (SHDF) and the Council has made budget provision for

match funding to enable application for this funding. This is reflected in the refresh of the Housing Asset Management Plan and is affordable to the Housing Revenue Account.

- 12.8 Appendix B of the refreshed Housing Asset Management Plan sets out the investment and improvements that will be delivered each year through the capital programme. This information is evidence led and will be used to inform the budget setting process for 25/26.
- 12.9 As a high risk budget area, HRA budgets are monitored on a monthly basis to ensure robust oversight and opportunity to monitor any changes, risks or fluctuations that may have a short and / or long term impact. It is positive that the Council is able to commit to further investment without impacting the financial stability of the HRA.

Financial Implications reviewed by: Director for Corporate Services 22/11/24

13 Legal and Governance Implications

- 13.1 The Localism Act 2011 reformed the way that council housing is financed in England and Wales. The national HRA subsidy system ended in April 2012 and was replaced with self-financing.
- 13.2 Since Section 167 / Schedule 15 of the Localism Act 2011 came into force, English local authorities have been required to be self-financing in relation to their housing stock.
- 13.3 Expenditure and income relating to property and income listed in section 74 of the Local Government and Housing Act 1989 which includes housing held under Part II of the Housing Act 1985 must be accounted for in the Housing Revenue Account (HRA). The HRA is a ring-fenced budget.
- 13.4 It is not a legal requirement to produce an HRA Business Plan and Asset Management Plan; however, it is good practice and helps provide a good framework for long term strategic planning and provides important assurance and oversight in the context of the Social Housing (Regulation) Act 2023, with which the Council has a duty to comply and to demonstrate positive assurance compliance. The recent proactive inspection from the Regulator for Social Housing has provided confidence that the Council knows its housing stock and has clear and credible plans in place for continued investment and improvement to tenants homes, and a clear trajectory to achieving Decent Homes Standard across its stock.
- 13.5 The impact of any future legislative or regulatory changes must be assessed in terms of delivery and affordability. Should any result in risks or concerns, they should be brought to the attention of Cabinet members through a report, or, if necessary, in year revision or update to the Housing Asset Management Plan.

Legal Implications reviewed by: Deputy Monitoring Officer 29/11/24

14 Equality and Safeguarding Implications

- 14.1 In finalising the Plan, the Authority must comply with the public sector equality duty as set out in S149 of the Equality Act.
- 14.2 An Equality Impact Assessment was carried out for the HRA Business Plan which directly informs the Asset Management Plan. It was reviewed by the Council's Check and Challenge Group and can be found on the Council's website.
- 14.3 Investment in decent and safe homes will positively impact the safety and wellbeing of council tenants.

15 Data Protection Implications (Mandatory)

15.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons arising from this report.

16 Environmental and Climate Change Implications

16.1 The Plan considers recommendations regarding net-zero and energy efficiency; however, the Plan itself will not be able to deliver a carbon neutral outcome without significant external funding. This is the case for the wider housing sector.

16.2 The report considers external funding opportunities, for example, through the Social Housing Decarbonisation Fund (SHDF), for which budget provision has been made for match funding. Further work will be undertaken throughout the life of the Asset Management Plan to maximise opportunities for carbon reduction, and this will need to be considered in the context of the cost-of-living crisis, fuel poverty and thermal efficiency. In approving this plan, the Council will need to strike the balance between reducing carbon reduction and reducing household bills. At a time of excessive energy costs and cost of living crisis, consultation feedback has demonstrated that opportunities to reduce household bills remain a priority.

16.3 The Housing Asset Management Plan refresh directly updates considerations relating to energy efficiency and decarbonisation.

17 Other Implications (where significant)

17.1 **Health and Wellbeing Implications:** Investment in council's homes as proposed will ensure the Council delivers on its health and safety and decent homes obligations whilst also considering other opportunities to improve health and wellbeing for resident where possible.

17.2 **Human Resource Implications:** There is the potential for some of the projects identified in the action plan to identify the need for additional resources. These will be managed on a case-by-case basis.

17.3 **Procurement Implications:** The Asset Management Plan sets out the Council's approach to procurement and its overall strategy. The action plan appended to the Asset Management Plan includes details of all procurement exercises that will be required and when they need to start. Delivery of a capital programme of this size and scale requires robust understanding and management of procurement requirements and contract management in line with the Council's contract procedure rules. Continued collaboration with finance and procurement colleagues will be important.

18 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Insufficient resource (staffing) to implement the requirements of the HRA Asset Management Plan	Very Low	Critical	Low
2	Capital spending commitments are not delivered on time or within budget	Very Low	Critical	Low
3	Necessary compliance works are not carried out in a timely way	Very Low	Critical	Low

4	HRA projected to move into a deficit position during the period of the HRA Asset Management Plan	Very Low	Critical	Low
5	The Council cannot provide continued assurance or confidence to the Regulator for Social Housing on compliance with the Consumer Regulations, specifically the Safety and Quality Standard and Transparency, Accountability and Influence Standard (as most directly relevant to this report).	Very Low	Critical	Low
6	Changes to the national Decent Homes Standard require changes to the Council's capital programme, prioritisation and budgets, and may impact the current trajectory to achieve decent homes standard across all housing stock.	Significant	Marginal	Medium
7	Unable to secure SHDF funding to support energy efficiency measures in Council Homes.	Significant	Marginal	Medium
8	Unable to proceed with the proposed residential conversion of two non-housing assets leading to a reduced opportunity to increase housing stock, generate income and resulting in a continued revenue liability for the HRA.	Significant	Critical	Medium

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant		6, 7	8	
	3 Low				
	2 Very Low			1,2,3,4,5	
	1 Almost impossible				

Risk No	Mitigation
1	Continue to review operational and strategic capacity requirements. Use capital programme and HRA Asset Management Plan to plan and schedule plans and programmes.
2	HRA Capital programme is evidence led and kept under review, minimising this risk. Areas of non-spend, overspend or changing delivery requirements are reviewed and reported through budget management arrangements.
3	Mechanisms in place to manage compliance mitigate this, annual health check of H&S compliance is built into internal audit programme.
4	Long term trajectory for the financial stability of the HRA remains positive. The 23/24 rent cap, in addition to inflationary pressures and operational income management pressures created a risk of a deficit position within the HRA in years 10 and 11 of the business plan, however, smoothing of the programme has reduced the risk of deficit based on current projections.
5	Strong understanding of regulatory requirements, validated during inspection from the Regulator for Social Housing (RSH) in 24/25 resulting in a C2 grading. Positive feedback regarding relevance and use of stock condition data and on robust management of health and safety compliance. Maintain management and Cabinet oversight, delivery of commitments within the Housing Asset Management Plan and use of Internal Audit to enable health period health check and assurance.
6	Be alert to any consultation or sector information and begin to model impacts as soon as details of any changes are clear. Model based on delivery, prioritisation and budgets to assess the need for changes to the Housing Asset Management Plan or wider service delivery. Communicate to SLT and Cabinet if changes present a risk to delivery or financial sustainability.
7	Working as part of an experienced consortium and having a strong evidence base should maximise the Council's chances of securing SHDF funding, however, it is not guaranteed. Failure to secure the Wave 3 funding will require consideration of retaining the Council's budget provision to act as match funding in a future round, or, to utilise the funding to deliver a reduced programme of improvements in 25/26.
8	Ensure business cases are robust and are supported by Equality Impact Assessments. Should a decision be taken not to convert these assets for residential use, an assessment of the ongoing financial impact on the HRA will be required, alongside options to mitigate financial liability.

19 Background Papers

- 19.1 Housing Asset Management Plan 2024 – 2029
- 19.2 HRA Business Plan 2022 - 2052
- 19.3 Social Housing (Regulation Act) 2023
- 19.4 [Reshaping Consumer Regulation](#) (February 2024)
- 19.5 Melton Borough Council Stock Condition Survey Data

19.6 [Melton Borough Council Corporate Strategy 2024-2036](#)

20 Appendices

20.1 Appendix A: DRAFT Housing Asset Management Plan 2025 – 2030 (including RAG rated action plan and updated capital programme).