



NOTICE OF MEETING

CABINET MEMBER FOR HOUSING AND TACKLING HOMELESSNESS

FRIDAY, 26 JANUARY 2024 AT 9.30 AM

COUNCIL CHAMBER - THE GUILDHALL, PORTSMOUTH

Telephone enquiries to Allison Harper, Local Democracy Officer - Tel: 023 9268 8014
Email: democratic@portsmouthcc.gov.uk

If any member of the public wishing to attend the meeting has access requirements, please notify the contact named above.

Membership

Councillor Darren Sanders (Cabinet Member)

Councillor Cal Corkery
Councillor Raymond Dent

Councillor Charlotte Gerada
Councillor Daniel Wemyss

(NB This agenda should be retained for future reference with the minutes of this meeting).

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AGENDA

- 1 Apologies for Absence**
- 2 Declarations of Members' Interests**
- 3 Council Housing Budget (including rents) 2024/2025 (Pages 5 - 48)**

Purpose of Report

1. The law requires that all income and expenditure relating to Council Housing is accounted for separately in the Housing Revenue Account (HRA). All other council income and expenditure is accounted for together in a separate account called the General Fund. This report deals solely with the HRA.
2. The City Council has delegated the function of setting rents, charges and revenue budgets for Council Housing to the Cabinet Member for Housing and Tackling Homelessness. Following consultation with residents and leaseholders, this report seeks to address all HRA budget issues.
3. The purpose of this report is to seek the Cabinet Member's decisions on the City Council Housing budgets, rents and other charges and to give authority for managers to incur expenditure in 2024/2025.
4. The report also seeks to:
 - Note the Forecast Revenue Outturn for 2023/2024 and give authority to the Director of Housing, Neighbourhood and Building Services & the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2024/2025.
 - Note the Forecast Revenue Budgets for 2025/26 to 2027/28 arising from the proposals set out in this report.
 - Set rents with an average increase of 7.7%, which is in line with the maximum increase allowed by Central Government's Social Rent Setting Policy.

RECOMMENDATIONS

It is recommended that the Cabinet Member for Housing and Tackling Homelessness approves the following:

1. **The Forecast Revenue Outturn for 2023/24 arising from monitoring discussion with Managers, as set out at Appendix 3, be noted.**
2. **All rents and charges to be effective from Monday 1st April 2024 or such other date as determined by the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources.**
3. **Dwelling Rents for 2024/25 to be set with an average increase of 7.7% which is in line with the maximum allowable under Central Government's Social Rent Setting Policy, as summarised in Appendix 4.**
4. **General Service Charges for 2024/25 to be set at this meeting, as set**

out in this report and in accordance with Appendix 5.

5. **Sheltered Housing Service Charges for 2024/25 to be set at this meeting, as set out in this report, and in accordance with Appendix 6.**
6. **Laundry Charges for 2024/25 to be set at this meeting, as set out in this report, and in accordance with Appendix 7.**
7. **Heating Charges for 2024/25 to be set in accordance with Appendix 8.**
8. **Garages and Parking Site Rents for 2024/25, as shown in Appendix 9, be approved and authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director Finance and Resources.**
9. **The Revenue Budget for 2024/25, as set out in Appendix 3, be approved and authority given to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources, to amend the budgets to reflect the latest available information prior to finalising budgets for 2024/25.**
10. **The relevant Managers be authorised to incur expenditure in 2024/25.**
11. **The Forecast Revenue Budgets for 2025/26 to 2027/28 arising from the proposals contained in this report, as set out in Appendix 3, be noted.**

4 Fire Safety Policy (Pages 49 - 74)

Purpose of Report

The purpose of the report is to update members of a review of the existing fire safety policy by the Fire Safety Group, including the resident consortium and to seek approval to implement proposed changes to the policy.

RECOMMENDATIONS

1. **That the fire safety policy (Appendix A - Fire Safety Policy, version 1.3) is approved and Housing, Neighborhood and Building Services implement the revised fire safety policy which includes the following changes.**

The main change to the fire policy is the management of the means of escape and communal areas within blocks of flats. The policy changes the current 'managed use' approach to a 'zero tolerance' approach to be adopted for common walkways or stairwells except for Cat 2 and Cat 2.5 blocks that will remain 'managed use'.

Other changes to the fire policy include the scope of the policy extended to specifically include individual doors opening onto

common parts of the building and the external structure (including doors, windows, cladding and balconies) of blocks of flats. The lowering of the classification of higher risk blocks from ten storeys to seven storeys, confirmation of where fire safety information will be provided and premises information boxes, details of fire door inspections, firefighting equipment fault reporting and assisted evacuation.

2. The implementation and communication plan that is set out in section 5 is approved.

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Agenda Item 3



Portsmouth
CITY COUNCIL

Title of meeting:	Cabinet Member for Housing and Tackling Homelessness
Date of meeting:	26th January 2024
Subject:	Council Housing Budget 2024/25 (including rent setting)
Cabinet Member:	Councillor Darren Sanders, Cabinet Member for Housing and Tackling Homelessness
Report by:	James Hill, Director of Housing, Neighbourhood and Building Services Chris Ward, Director of Finance and Resources
Wards affected:	All Wards
Key decision:	Yes
Full Council decision:	No

1. Purpose of report

- 1.1 The law requires that all income and expenditure relating to Council Housing is accounted for separately in the Housing Revenue Account (HRA). All other Council income and expenditure is accounted for together in a separate account called the General Fund. This report deals solely with the HRA.
- 1.2 The City Council has delegated the function of setting rents, charges and revenue budgets for Council Housing to the Cabinet Member for Housing and Tackling Homelessness. Following consultation with residents and leaseholders, this report seeks to address all HRA budget issues.
- 1.3 The purpose of this report is to seek the Cabinet Member's decisions on the City Council Housing budgets, rents and other charges and to give authority for managers to incur expenditure in 2024/25.
- 1.4 The report also seeks to:
 - Note the Forecast Revenue Outturn for 2023/24 and give authority to the Director of Housing, Neighbourhood and Building Services & the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2024/25.
 - Note the Forecast Revenue Budgets for 2025/26 to 2027/28 arising from the proposals set out in this report.

- Set rents with an average increase of 7.7%, which is in line with the maximum increase allowed by Central Government's Social Rent Setting Policy.

2. Recommendations

It is recommended that the Cabinet Member for Housing and Tackling Homelessness approves the following:

- 2.1 The Forecast Revenue Outturn for 2023/24 arising from monitoring discussions with Managers, as set out at Appendix 3, be noted.
- 2.2 All rents and charges to be effective from Monday 1st April 2024 or such other date as determined by the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources.
- 2.3 Dwelling Rents for 2024/25 to be set with an average increase of 7.7%, which is in line with the maximum allowable under Central Government's Social Rent Setting Policy, as summarised in Appendix 4,
- 2.4 General Service Charges for 2024/25 to be set at this meeting, as set out in this report, and in accordance with Appendix 5.
- 2.5 Sheltered Housing Service Charges for 2024/25 to be set at this meeting, as set out in this report, and in accordance with Appendix 6.
- 2.6 Laundry Charges for 2024/25 to be set at this meeting, as set out in this report, and in accordance with Appendix 7.
- 2.7 Heating Charges for 2024/25 to be set in accordance with Appendix 8.
- 2.8 Garages and Parking Site Rents for 2024/25, as shown in Appendix 9, be approved and authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources.
- 2.9 The Revenue Budget for 2024/25, as set out in Appendix 3, be approved and authority given to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources, to amend the budgets to reflect the latest available information prior to finalising budgets for 2024/25.
- 2.10 The relevant Managers be authorised to incur expenditure in 2024/25.

2.11 The Forecast Revenue Budgets for 2025/26 to 2027/28 arising from the proposals contained in this report, as set out in Appendix 3, be noted.

3. Housing Policy 2024/25

HRA Dwelling Rents

- 3.1 From 2020/21 the decision to increase rents was passed back to Local Authorities that operate a Housing Revenue Account. Through the rent standard the City Council was given the option to increase rents by the increase in the Consumer Price Index (CPI) plus 1% until the financial year 2025/26. The CPI figure to be used is published in September of the preceding year. This option was recommended and approved for both 2020/21 and 2021/22. In 2022/23, the Cabinet Member approved that dwelling rents would be set with an average increase of 3.5%. This was lower than the maximum allowable under the Social Rent Setting Policy of 4.1%.
- 3.2 In the November 2022 Autumn Statement, the Government announced the intention to introduce a 7% cap on rent increases for 2023/24 that would otherwise have been permitted up to 11.1% (CPI 10.1% + 1%) under the existing rent standard. Modelling at that time estimated that a balanced 'break even' budget would need a rent increase of 11.35%. 'Break even' is the point where "In Year" Spending is equal to "In Year" Income and "Structural Balance" is achieved. The option of a 7% increase was recommended and approved by the Cabinet Member.
- 3.3 For 2024/25 the option of a CPI plus 1% rent increase is once again an option. As the CPI for September 2023 was 6.7%, a rent increase of up to 7.7% is allowed under the Rent Standard. However, the latest modelling indicates that an 8.25% rent increase would be needed to 'break even'. This report recommends that the maximum allowable rent increase is approved. For every 1% reduction in the rent increase, the HRA would lose approximately £800,000 in income in 2024/25 and over £40m in the 30-year business plan.
- 3.3.1 The Housing Revenue Account (HRA) is reliant on the Rental Income from its tenants and leaseholders to provide the Housing Management Services required. These services are wholly funded by the HRA.
- 3.3.2 Therefore, the HRA has to be financially viable on a long-term basis and decisions relating to increases to rent & service charges have a direct impact on the Housing Management Services that can be provided.
- 3.3.3 Given the ongoing financial uncertainty for next year, including interest rates, the staff pay award and levels of building inflation, it will be important that we can continue to provide services needed by our most vulnerable

tenants, and therefore will need to ensure that the HRA is funded accordingly.

- 3.3.4 Changes to rents charged to social housing tenants is governed by the Rent Standard and Rent Standard Guidance, outlined by the Regulator, that relates specifically to rent and service charge setting. In addition, the Social Housing Rents (Exemptions and Miscellaneous Provisions) Regulations 2016 must also be applied.
- 3.3.5 Rents will be set on an annual basis and the City Council will limit the rent to the published applicable Local Housing Allowance (LHA) Rate to ensure that they remain affordable to its tenants. The Government have announced an intention to increase the LHA Rate for 2024/25 but the calculation is made locally by the Department for Work and Pensions, using information provided by the Valuation Office Agency. It will not be announced until 1 April 2024 and was not available for consideration in this report.
- 3.3.6 **For all Tenants**, Service Charges will be managed as Fixed Service Charges with no under or over collections at the end of each financial year, so may not achieve full cost recovery.
- 3.3.7 **For Leaseholders**, Service Charges will be managed as Variable Service Charges with under and over collections at the end of each financial year resulting in full cost recovery.
- 3.3.8 The next rent year for tenants will be a standard 52-week year, as the effective start date will be 1st April 2024 and ending on 30th March 2025.

HRA Borrowing Cap

- 3.4 In the 2018 Autumn Budget the Government announced that the limit of indebtedness would be lifted with immediate effect from all Local Authorities who operate a Housing Revenue Account. Previously the City Council was limited on the amount of borrowing that it could incur in the Housing Revenue Account. This presented a problem for the City Council as it was unable to invest in larger scale developments and instead had to rely on bidding for additional borrowing and/or grant funding.
- 3.5 Whilst the City Council welcomed this additional flexibility, it has to ensure that any borrowing it undertakes is not taken at the detriment of the Housing Revenue Account. The City Council will seek to identify developments where rental income can meet the cost of any additional borrowing and maintenance of the asset, acting prudently and ensuring the sustainability of the HRA over the medium to longer term.

3.6 Since the cap was removed the City Council committed to a programme of buying back City Council Housing Stock previously purchased under right to buy (RTB) and expanding acquisitions to all residential units. This programme, which started in 2020/21, is for £100m and is part funded from retained RTB capital receipts. The total forecast expenditure to the end of 2023/24 (year 4) is £82.5m. However, in order to prioritise capital receipts for new construction, it is now recommended to rephase the remaining £17.5m approved budget over the next 5 years (£3.5m per annum).

3.7 As well as acquiring property, the City Council have in recent years completed construction of some 40 units at Doyle Avenue and Patey Court. Additionally, the Council now have approval to deliver 6 units on a site in Twyford Avenue (subject to planning approval). Developments at Strouden Court, Cabbagefield Row, Somers Orchard and Wecock Farm remain in the pipeline.

4. Proposed Rents and Charges for 2024/25

Dwelling Rent

4.1 The September 2023 CPI was 6.7% and, therefore, the maximum average rent increase in 2024/25, under the existing rent standard, is 7.7%. This applies to all low-cost rental accommodation that is not supported housing. There are a number of factors relating to the financial environment for the HRA that have been taken into consideration when considering an increase in dwelling rents, prior to making the recommendation in this report.

4.1.1 The depreciation charge for the Housing Revenue Account is calculated based on the assets expected life and the market value. As the HRA's stock ages there is an increasing depreciation charge. This is the portion of the revenue budget that must be set aside in a specific ring-fenced reserve that is reinvested in capital works to City Council housing.

4.1.2 The HRA has been losing on average 70 units per year through the Right to Buy initiative, along with the associated rental income which means the amount of rent which can be collected reduces. The number of sales was reduced to only 28 in 2020/21, due to the first Covid-19 wave, and was only 48 in the 2022/23, due to the impact of inflationary pressures on the housing market. This downward trend is continuing with 22 sales in the first 9 months of 2023/24.

4.1.3 There have been increased costs during 2023/24 that have created in year revenue pressures. Costs of materials to undertake repairs, budgeted with 6% inflation, have seen rises by over 10%. In addition, the current year staff pay award of £1,925 per person or 3.88%, whichever is the higher, exceeds a budgeted 3.5% inflationary allowance. There remains a level of uncertainty about future staff costs and an average pay award of 4.5% has been included in the budget for 2024/25. However, Utility costs (gas and

electricity), where we had budgeted for inflation of 62%, have stabilised with an increase of 49%.

4.1.4 Following the setting of deficit budgets in two of the last three years, a significant amount of deficit reduction work has been carried out. This includes efficiencies (e.g. Anti-Social Behaviour work and Business Support structure) and income generation initiatives (e.g. Energy team fees and Service Level Agreements). The various services which support the HRA, regardless of the financial position, will continue to look for opportunities to reduce cost through efficiencies and maximise the opportunity to generate income to protect landlord service functions.

4.1.5 The building and acquisition of new property has a positive impact on the HRA Accounts. In 2023/24 65 properties have been repurchased with 15 properties in the pipeline. However, in order to prioritise the reducing level of capital receipts for new construction, it is recommended to reduce the ongoing annual target to 20 repurchases. The City Council have in recent years completed construction of some 40 units at Doyle Avenue and Patey Court. Additionally, there are circa 1,000 units in the HRA development pipeline, including proposals at Somers Orchard, Cabbagefield Row, Strouden Court and Wecock Farm. A proposal to Cabinet was agreed by Full Council on the 12 December to acquire 818 residential units (existing social housing stock) from Clarion which will be held and managed in the HRA.

4.2 In the light of the amount of uncertainty in the current financial environment, it is proposed to increase Dwelling Rents from an average of £100.34 per week to £107.48 per week, as summarised in Appendix 4. This is an increase of 7.7%, which is the maximum increase allowed under the existing Rent Standard. It is anticipated that other Registered Providers of social housing in the city will follow this maximum increase. If other Registered Providers in Portsmouth increase their rents by 7.7% and the City Council does not, there is a risk that we may see a reduction in applicants on the Housing Register accepting offers for properties in non-city Council Registered Provider properties, increased applications for exchanges into our stock and higher demand for our stock overall. This would be a direct conflict to the rent convergence policy introduced by Central Government in 2011.

4.3 This 7.7% increase is more than the 7% that was anticipated in the forecast budget. However, the budget assumptions for expenditure were undermined by inflationary increases that occurred in year, as highlighted above in para 4.1.3. The implications for the budgets for 2024/25 and subsequent years are described in more detail in sections 5 and 6 respectively.

4.4 For additional context, the National Living Wage will rise by 9.8% from 1 April 2024 (Low Pay Commission summary of evidence, 21 November 2023). Also, pensions will rise by 8.5% and all other inflation linked benefits and tax credits

will rise by 6.7% from that date as well (Commons Library Research Briefing, 30 November 2023).

General Service Charges

- 4.5 General Service Charges are made to all tenants and relate to the provision of a number of different services, including the Estate Services Officers, Anti-Social Behaviour Team, the Green and Clean Service and Resident Engagement Team. In general, a lower rate is charged to tenants living in houses and bungalows and a higher rate to those who receive additional services in flats and maisonettes.
- 4.6 The charges made to tenants for these services will be based on the actual cost of provision of the service, but on the basis of Fixed Service Charges, so there is never any under or over recovery reconciliation. Instead, charges are based on previous year costs and an inflationary uplift. This does mean that the cost of services delivered may be higher than the income collected.
- 4.7 The proposed charges for 2024/25 are shown in Appendix 5 and summarised as follows:

Category	2023/24 General Service Charge (Per week)	2024/25 General Service Charge (Per week)
Low Rate	£7.14	£7.28
High Rate	£18.20	£19.60

Sheltered Housing Charges

- 4.8 Sheltered Housing is intended to meet the needs of residents who require support to live independently. There are three levels of service, each with increasing levels of need and support: Category 1, Category 2 and Category 2.5. Sheltered Housing was set up originally on the basis that the extra costs of providing the service, over and above those arising from normal City Council Housing provision, would be recovered from the tenants in Sheltered Housing via a “Combined Sheltered Housing Service Charge”. The Combined Sheltered Housing Service Charge is made up of a landlord related charge, which is eligible for Housing Benefits, and a care related charge, which is not eligible for Housing Benefits but is part funded through Supporting People Grant. As with the General Service Charge, these are Fixed Service Charges, with no under or over recovery reconciliation, and therefore carry the same risk that the cost of services may be greater than the income collected.

4.9 The proposals for 2024/25 are shown below, with a more detailed breakdown of these charges in Appendix 6.

Category	2023/24 Combined Sheltered Housing Charges (Per week)	2024/25 Combined Sheltered Housing Charges (Per week)
Cat 1	£18.34	£19.35
Cat 2	£60.76	£63.40
Cat 2.5	£107.80	£112.93

Laundry Charges

4.10 City Council Housing provides a number of laundry facilities that operate from within blocks and sheltered housing schemes. Although the charges for both washing and drying facilities are reviewed each year, they remain much lower than the commercial market price. For 2023/24, following the unprecedented increases in energy costs, the City Council increased the charges, for the first time in five years, to ensure the cost of running the service was recovered and no cross subsidy existed. However, there is no need to increase charges further for 2024/25.

4.11 The proposals for 2024/25 are shown below and in Appendix 7.

Token Type	2023/24 Laundry Token Charge	2024/25 Laundry Token Charge
Wash	£3.00	£3.00
Dry	£2.00	£2.00

Heating Charges

4.12 The HRA has 15 blocks where heating is provided and, in some cases, hot water. Charges vary according to the type of heating provided, as follows:

Dickens blocks (8 of them) – Combined Heat & Power (CHP),
Sheltered blocks (5 of them) - Gas,
Edgbaston and Tipton - Electricity.

- 4.13 Heating charge calculations are based on average annual consumption data from previous years. This data is used to calculate the estimated future cost of heating the relevant dwellings. The Council were able to freeze all heating charges in both 2020/21 and 2021/22. However, in an attempt to fully recover anticipated costs, there was an increase of 15% in charges for gas heating in 2022/23. Following the unprecedented cost pressures in that year, this level of increase proved to be insufficient and gas heating charges were subsidised from rent.
- 4.14 In addition to the two-year freeze in all heating charges, the City Council's energy team negotiated a fixed price for electricity, which meant that the City Council were able to freeze electric heating charges in 2022/23 for a third year. This protected tenants from the worst of the energy inflation but the fixed tariff charges for electricity supply ended in September 2023.
- 4.15 As the City Council policy is to set the heating charge so that the full cost of heating and hot water is paid by the tenants in those blocks, substantial increases in charges of between 67% and 100% were proposed for 2023/24. However, following representations at the decision meeting, the Cabinet Member agreed to cap charges at a 50% rise, with any remaining heating charges to be recouped in subsequent years.
- 4.16 The City Council's Building Services team continue to undertake work to both reduce energy consumption and negotiate the best tariffs with our energy providers. A new fixed tariff for electricity has now been secured, although unit rates from the new annual contract are still significantly higher than the previous deal. A purchase of gas has also been made for the second half of 2023/24 and for part of the 2024/25 requirement with prices having stabilised. As a result of this work, the originally proposed increases for 2023/24 would have resulted in an over recovery. Based on predicted usage for the remainder of the year, the 50% increase should be sufficient to cover our costs this year and no retrospective adjustment is required in next year's charges.
- 4.17 The new contracts for electricity and gas will also drive the anticipated costs in 2024/25. The following price changes are recommended in order to fully recover these costs:
- | | |
|--|-----------------|
| Edgbaston and Tipton (Electric) | 2.5% increase |
| Dickens blocks (Combined Heat and Power) | 28.6% reduction |
| Sheltered blocks (Gas) | 37.2% reduction |
- This means that, if you currently pay £15.00 per week, your weekly charge will increase to £15.38 in Edgbaston & Tipton, reduce to £10.71 in the Dickens blocks and £9.42 in the Sheltered blocks. Appendix 8 breaks down the proposed charges for each block type in more detail.

Garages and Parking Sites

- 4.18 The way that the HRA garages and parking sites are marketed and managed continues to evolve in response to changes in demand whilst maintaining the underlying Budget Principle to “get the best return possible from non-core activities”. The HRA parking charges remain competitive when compared to other parking providers on and off Island.
- 4.19 It is proposed that the 2024/25 budget continues to assist the marketing of the Park and Ride scheme, by offering 'local/non-local' parking rates. Whilst maintaining the ethos of charging more for high-demand areas, all parking spaces irrespective of location will be charged at two rates, a lower rate for those people who live near to where they park and a higher rate for those who do not. This aims to encourage those who drive into the city to consider using the Council's Park and Ride facility.
- 4.20 The proposal is to increase the cost of all parking and garage permits by CPI of 6.7% in 2024/25. A summary of the proposed charges for next year can be found in Appendix 9. It is recommended that authority to let garages at reduced rents where demand is low be delegated to the Director of Housing, Neighbourhood and Building Services in consultation with the Director of Finance and Resources.

5. Budget for next year 2024/25

- 5.1 The budget details attached at Appendix 3 show the forecast outturn position for 2023/24, as well as the proposed budget for 2024/25. Also shown are the forecast budgets through to 2027/28.
- 5.2 The 2024/25 Housing Revenue Account budget assumes an in-year deficit of £0.45m. This is a worse position than the original forecast deficit of £0.10m following last year's budget decision. This is despite the proposed rent increase of 7.7% being higher than the original forecast of 7% and the deficit reduction work described earlier in the report.
- 5.3 Allowance has had to be made for a higher than anticipated pay offer of £1,925 or 3.88%, whichever is the higher, per person in 2023/24, which impacts the staffing budget of approximately £30m, representing over 30% of all costs. The original budget included funding for a 3.5% pay rise in 2023/24. A significant increase in repair and maintenance budgets has also been included for the projected increases in material costs. In addition, the aging stock profile means that an increasingly significant depreciation charge provision needs to be made each year. A budget has not been included for any National Non-Domestic Rate (NNDR) costs for HRA Car Parks as some proposed charges are subject to an appeal process. This remains a risk for the HRA budget, which would need to be met from the revenue reserve in the current year.

- 5.4 The report recommends that the City Council increases dwelling rents by 7.7%, the maximum permissible, in order to minimise the HRA deficit. A 7.7% increase will generate £5.9m to help keep local services running. However, there will still need to be a draw on reserves of £0.45m to balance the budget, if no further efficiencies are found.

6. Future year budgets and the level of balances

- 6.1 The law requires that a budget be set to avoid a deficit on the HRA, although balances may be used to offset short term pressures. It is forecast that the level of balances will be approximately £23.6m on 31 March 2025, excluding earmarked capital reserves. The future year forecasts include the impact of a purchase of properties from Clarion Housing Association that was approved by Full Council on 12 December 2023. They assume that a CPI plus 1% rent increase will be allowed and approved up to 2026/27, with CPI plus 0.5% thereafter. The forecast level of balances in subsequent years is shown in the following table:

	2023/24 Forecast outturn	2024/25 Proposed Budget	2025/26 Forecast Budget	2026/27 Forecast Budget	2027/28 Forecast Budget
	£000	£000	£000	£000	£000
Reserve brought forward	23,688	23,556	23,110	22,516	21,502
In year (deficit)/surplus	(132)	(446)	(594)	(1,014)	(1,299)
Reserve carried forward	23,556	23,110	22,516	21,502	20,203

- 6.2 When setting a new budget, the City Council must consider the effect on the Housing Revenue Account's 30-year business plan. The current reserve is sufficient to meet the ongoing commitments in the short to medium term. However, the Director of Housing, Neighbourhood and Building Services has been working through ways to reduce the forecast deficits in 2023/24 and 2024/25. Further remedial measures will be sought to offset any ongoing impacts of increased utility, staff and materials costs. In the longer term, there are significant forecast deficits from 2025/26 onwards that will need further consideration and it is imperative that decisions taken in respect of Housing Rents and Charges in 2024/25 are taken in this context. The current forecast illustrates a draw on Reserves over the period of circa £3.5m which is unsustainable in the longer term and is inconsistent with prudent management of the HRA.
- 6.3 Local authority housing services are facing a significant level of change arising from a combination of factors, including.

- 6.3.1 The Social Housing Regulation Act & Building Safety Act require changes that include, better communication with tenants & leaseholders with clearer distinction and identity as a landlord, improvements in sharing performance information, regular tenant satisfaction surveys and an improved complaints management system. The capital programme will be led by, and priority given to the changes arising from the Building Safety Act and in 2024 we will bring forward an asset management strategy for the HRA housing and assets.
- 6.3.2 Customers are interacting with our services differently and changes felt during the pandemic in how customers access our services are holding with, for example, less footfall and fewer cash payments.
- 6.3.3 These changes give the opportunity to continue to review how our services as a landlord are delivered to ensure we maintain the high quality of services we deliver but realising the opportunity to adapt our operating model to meet the changing demands of customers and remain efficient. A programme of change is underway to ensure we comply with the Social Housing Regulation Act and further work will emerge in 2024 to meet the factors driving change and support a longer-term plan to resolve the HRA deficit.

7. Authority to incur revenue expenditure.

- 7.1 It is recommended, in recommendation 2.10, that Directors and their service managers be authorised to incur expenditure in accordance with the City Council Constitution. The only exceptions would be those items Members consider should be the subject of a separate report before expenditure is incurred.

8. Duty to involve - Resident involvement in the budget process.

- 8.1 This year's rent consultation started on the 29 September 2023 where residents were invited to attend an event whereby the City Council's finance team went through the Housing Revenue Account budget line by line. Some of this information was also included in the Winter edition of Housetalk magazine.
- 8.2 In previous years an article in the winter edition of the Housetalk magazine has published the rent and service charge proposals and requested feedback. This year the Director agreed to send a separate letter to all HRA tenants and leaseholders. This eased the pressure to meet the Housetalk publication deadlines and avoid undue delay in sending the Housetalk to residents. A separate letter provides focus and attention to the rent and service charges, and it is anticipated will create greater awareness of the proposals. The letter is shown in appendix 10 and contained the initial proposals for the rent and service charges relevant at the time the letter was written. Many of those initial proposals have been revised and this report contains the final set of proposed rent and service charges.

- 8.3 The City Council's Finance Team attended the Residents Consortium meeting on the 8 December 2023 to present the proposals mirroring the letter and asking for feedback from residents around the proposed new charges. They also attended the Residents Consortium Meeting on the 4 January 2024 to respond to the feedback already received and ask for any further feedback.
- 8.4 As well as receiving feedback at these events, the City Council received direct responses by email and phone on the consultation. The responses are summarised in Appendix 11.
- 8.5 The Cabinet Member reviewed the residents' responses, along with the feedback from the consultation letter, in time to take them into account when proposing the recommendations at this meeting.
- 8.6 Both the Director of Housing, Neighbourhood and Building Services and the Director of Finance and Resources would like to place on record their thanks for the continued support and contribution given by our resident representatives, tenants and leaseholders.

9. Reasons for recommendations

- 9.1 To set budgets, rents and charges for council housing for 2024/25 at levels that are sufficient to provide decent accommodation and good quality services whilst maintaining financial sustainability and resilience.

10. Integrated impact assessment (IIA)

- 10.1 An integrated impact assessment has been completed and is attached at Appendix 12.
- 10.2 The assessment identifies no negative impacts associated with any of the options outlined.

11. Legal Implications

- 11.1 The body of the report contains a discussion of the key legal issues, and the Council is empowered to approve the recommendations.

12. Director of Finance comments

- 12.1 The Director of Finance and Resources has been consulted and is in agreement with the recommendations to this report.



Signed by:

.....
James Hill – Director of Housing, Neighbourhood and Building Services

.....
Chris Ward – Director of Finance and Resources

Appendices:

- 1 Council Housing Accounts – The Law
- 2 Budget Principles 2023/24 to 2027/28
- 3 Revenue Budgets 2023/24 to 2027/28
- 4 Average Rents 2024/25
- 5 General Service Charges 2024/25
- 6 Sheltered Housing Charges 2024/25
- 7 Laundry Charges 2024/25
- 8 Heating Charges 2024/25
- 9 Garages and Parking Sites Rents 2024/25
- 10 Letter to Residents
- 11 Resident Feedback
- 12 Integrated Impact Assessment (IIA)

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1 Budget files	Housing, Neighbourhood and Building Services Finance
2 Rent standards for registered providers of social housing	Rent Standard and guidance - GOV.UK (www.gov.uk)
3 Social Housing Rents Regulations 2016	The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 (legislation.gov.uk)
4 CPI Figure for September 2023	Consumer price inflation, UK - Office for National Statistics
5 Interim Report on Progress of Council Housing Maintenance and Improvements Programme 2023/24	20230922 - Interim report on Progress of Council Housing Maintenance and Improvements Programme.pdf (portsmouth.gov.uk)
6 Social Housing (Regulation) Act 2023	Social Housing (Regulation) Act 2023 (legislation.gov.uk)
7 Building Safety Act 2022	Building Safety Act 2022 (legislation.gov.uk)
8 Cabinet meeting 28 th November 2023 & Full Council meeting 12 th December 2023.	Link to report only Item 11 - Cab Rec - Housing Revenue Account Residential Stock Portfolio Acquisition.pdf (portsmouth.gov.uk) Link to agenda (item 11) all appendices can be accessed via this link Agenda for Full Council on Tuesday, 12th December, 2023, 2.10 pm Portsmouth City Council

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
Signed by:

APPENDIX 1

COUNCIL HOUSING ACCOUNTS - THE LAW

The Council Housing accounts are termed the "Housing Revenue Account" in the following notes. The rest of the City Council's accounts are termed the "General Fund".

LOCAL GOVERNMENT AND HOUSING ACT 1989

This Act has provided the main framework for Housing Finance since 1 April 1990. In summary the Housing Revenue Account provisions are as follows:

- 1 Local Housing Authorities must keep a separate Housing Revenue Account (HRA).
- 2 Amounts to be credited or debited to the Housing Revenue Account can only be in respect of items detailed in the Act or covered by regulations issued by the Secretary of State.
- 3 Budgets must be prepared each year for the Housing Revenue Account which will avoid a debit balance on the account. Action must be taken if in any year it appears a debit balance may arise.
- 4 An authority should maintain a separate Housing Repairs Account.
- 5 A transfer must be made between the General Fund and the Housing Revenue Account in respect of amenities provided by the Housing Revenue Account but shared by the whole community.
- 6 With the exception of 5 above no contribution can be made by the General Fund to the Housing Revenue Account except for certain items detailed in regulations issued by the Secretary of State.

In addition, the Act provides the main framework for the Capital Finance of Local Authorities

LEASEHOLD REFORM, HOUSING & URBAN DEVELOPMENT ACT 1993

The above Act came into force in 1993 and gave Housing Authorities the power to provide Welfare Services and to account for them within either the Housing Revenue Account or the General Fund at the Authorities discretion.

The Act also gave the Secretary of State wide powers to amend this provision and regulations have been made which prevent "personal services" such as regular feeding or bathing or cooking of meals from being accounted for within the Housing Revenue Account. Accordingly, the net costs relating to the element of personal services provided by staff in sheltered accommodation are funded by the General Fund.

BUDGET PRINCIPLES

2023/24 to 2027/28

Budgets to be driven by PCC Strategies to meet Corporate Priorities with particular emphasis on all forms of regeneration & creation of sustainable communities to achieve safe, secure, independent & healthy living for our residents, tenants & leaseholders with increased economic well-being, including the following:

- Offering access to respite care and other support for carers and service users
- Assessing individuals needs and developing care/support to those needs.
- Contributing to effective rehabilitation for people leaving hospital
- Enabling and contributing to the provision of good quality low-cost homes with well-planned infrastructure
- Delivering and promoting high quality house design combined with exceptional environmental performance.
- Tackling fuel poverty and supporting residents through the cost of living crisis
- Working to reduce carbon emissions and to eliminate negative environmental impacts from all areas of work.

Budgets to be prepared in consultation with residents, tenants & leaseholders & reflect their views.

Balanced budgets to be prepared for a minimum 3 years for revenue budgets & 5 years for capital budgets.

Work with suppliers & partners, particularly the Health Service, to try & co-ordinate services in the best interests of residents, tenants & leaseholders.

Support effective preventive measures wherever possible.

Drive efficiency and value for money in all contracted and commissioned services

Meet the requirements of the Social Housing Regulation Act

Maintain & improve homes by:

- Tackling disrepair in private housing to ensure vulnerable people are housed in decent homes.
- Reducing the number of unfit and inaccessible private sector homes
- Maintaining the cycle of planned external inspection & repair of council dwellings ensuring the requirements of the building safety act are met as a priority.



- Improving the quality of council dwellings and maintaining decent homes including tackling damp and mould
- Working towards a “Decent Environment” for all council dwellings.
- Improving energy efficiency and opportunities for microgeneration.
- Encouraging the reduction, reuse and recycling of materials.

Maintain high management standards for council dwellings.

To set rents, charges and Council Tax charges that avoid any unreasonable burden and remain in accordance with Government Policy.

Get the best return possible from non-core activities i.e. provision of garages and parking.

Achieve continuous improvement through systems thinking methods, designing services against customer demand.

Comply with the law.

Housing Revenue Account 5 year budget

Appendix 3

	Forecast Outturn	Proposed Budget	Forecast Budget	Forecast Budget	Forecast Budget
Based on rent increase of 7.7%	2023.24	2024.25	2025.26	2026.27	2027.28
	£000	£000	£000	£000	£000
INCOME AND EXPENDITURE ACCOUNT					
<u>Income</u>					
Net Dwelling Rents (net of voids)	77,074	87,419	90,983	93,287	95,209
Non Dwelling Rents	3,228	3,475	3,596	3,704	3,778
Charges for services and facilities (net of voids)	18,226	19,199	20,121	20,726	21,140
Contribution towards expenditure	948	987	1,022	1,052	1,073
Other Income	57	79	82	85	86
<u>Expenditure</u>					
Repairs and maintenance	(29,572)	(30,465)	(31,537)	(32,488)	(33,143)
Supervision and management	(16,651)	(20,210)	(20,682)	(21,293)	(21,709)
Special services	(19,614)	(20,839)	(21,808)	(22,453)	(22,890)
Rents, rates, taxes and other charges	(719)	(630)	(652)	(672)	(685)
(Increase)/decrease in provision for bad debts	(216)	(512)	(531)	(546)	(558)
Depreciation and impairment of fixed assets	(26,559)	(28,541)	(30,309)	(32,177)	(33,693)
Contribution to Non Dwelling Capital Programme	(257)	(360)	(374)	(386)	(393)
Debt management costs	(63)	(60)	(64)	(65)	(66)
Net cost of services	5,882	9,542	9,847	8,776	8,151
Interest payable (net of investment income)	(6,014)	(9,988)	(10,441)	(9,790)	(9,450)
Surplus / (deficit) for the year	(132)	(446)	(594)	(1,014)	(1,299)
STATEMENT OF MOVEMENT ON THE HRA BALANCE					
Surplus / (deficit) for the year	(132)	(446)	(594)	(1,014)	(1,299)
HRA Balance Brought Forward	23,688	23,556	23,110	22,516	21,502
Increase/(decrease) in the HRA balance	(132)	(446)	(594)	(1,014)	(1,299)
HRA Balance Carried Forward	23,556	23,110	22,516	21,502	20,203

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Average Rents 2024/25

Appendix 4

Existing HRA dwelling stock										
Property type	Number of bedrooms								Total	
	0	1	2	3	4	5	6	7		
Bedsit / Studio	386	11								397
Bungalow	1	188	13	14						216
Flat		4,106	3,483	613	23	2				8,227
House		1	1,164	2,512	336	29	4	1		4,047
Maisonette		6	572	1,389	28	4				1,999
Supported Living	38	172								210
Grand Total	425	4,484	5,232	4,528	387	35	4	1		15,096

Average rents (£) in 2024/25 when increased by 7.7%										
Property type	Number of bedrooms								Overall Average	
	0	1	2	3	4	5	6	7		
Bedsit / Studio	82.28	106.13								82.94
Bungalow	92.01	101.07	114.70	124.09						103.34
Flat		93.34	105.34	120.38	123.85	122.48				100.53
House		100.69	110.56	121.98	140.10	153.63	210.34	210.73		120.53
Maisonette		121.32	105.13	115.83	139.91	126.28				113.15
Supported living	112.64	127.85								125.10
Average	85.02	95.06	106.50	119.88	139.12	148.72	210.34	210.73		107.48

Rent increases (£) in 2024/25 when increased by 7.7%										
Property type	Number of bedrooms								Overall Average	
	0	1	2	3	4	5	6	7		
Bedsit / Studio	5.88	1.55								5.76
Bungalow	6.58	7.13	8.20	8.87						7.30
Flat		6.32	6.82	7.18	8.00	8.76				6.60
House		7.20	7.90	8.31	8.92	8.97	5.76	15.07		8.25
Maisonette		8.68	6.66	7.39	7.20	9.03				7.18
Supported living	8.05	9.14								8.95
Average	6.08	6.45	7.05	7.88	8.74	8.96	5.76	15.07		7.14

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General Service Charges 2024/25

General Service Charges				
Charge description	23/24 weekly charge £	24/25 weekly charge £	Change £	Change %
Lower Service Charge :	7.14	7.28	0.14	2.0%
Higher Service Charge :	18.20	19.60	1.40	7.7%

NOTES

General Service charges cover the following costs :

Lower Service Charge (mainly houses) :

- Anti-social Behaviour Team
- Resident Participation Service
- Money Advice Service
- Estate Services Officers
- Out of Hours Service
- Youth and Play Services

Higher Service Charge (most flats) :

- Anti-social Behaviour Team
- Resident Participation Service
- Money Advice Service
- Estate Services Officers
- Out of Hours Service
- Youth and Play Services
- Electricity for Communal Areas
- Cleaning and Bulk Refuse
- Grounds Maintenance

(Leaseholder contributions are taken into account when calculating resident General Service Charges)

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Sheltered Housing Charges 2024/25

Weekly Sheltered Housing Service Charge	2024/25 Charges					2023/24 Charges		Increase year on year	
	Sheltered Housing Service Charge £ p	Supporting People Charges £ p	Sheltered Housing Discount £ p	Total protected charges (see note 1) £ p	Total unprotected charges £ p	Protected £ p	Not Protected £ p	Protected £ p	Not Protected £ p
Category 1	14.17	5.18	(7.99)	11.36	19.35	10.65	18.34	0.71	1.01
Category 2	47.13	16.27	(4.00)	59.40	63.40	55.67	60.76	3.73	2.64
Category 2.5	90.15	22.78	(31.78)	81.15	112.93	76.05	107.80	5.10	5.13

NOTES

- 1 Tenants who don't qualify for Housing Benefit but were in their tenancy at 1st March 2003 should pay no more in total for both the Supporting People & Sheltered Housing Service Charge than the amount they pay now plus an allowance for inflation. They will therefore have a credit posted to their accounts that reduces the full SP charge down to the protected level.

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APPENDIX 7

Laundry Charges 2024/25

Current laundry charges

Year	Charge for wash	Charge for dry
2023/24	£3.00	£2.00

Proposed Laundry Charges for Full Cost Recovery

Year	Charge for wash	Charge for dry	£ Increase Wash	£ Increase dry
2024/25	£3.00	£2.00	Nil	Nil

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Heating Charges 2024/25
- Official -
WEEKLY HEATING CHARGES

Electric Heating

EDGBASTON HOUSE
 TIPTON HOUSE

1 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
14.33	14.69	0.36	2.5%
14.33	14.69	0.36	2.5%

2 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
19.86	20.36	0.50	2.5%
19.86	20.36	0.50	2.5%

Gas Heating

Sheltered Housing

ARTHUR DANN COURT
 HALE COURT*
 IAN GIBSON COURT
 JOHN MARSHALL COURT
 NICHOLSON GARDENS

BEDSITS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
11.42	7.17	-4.25	-37.2%
10.37	6.51	-3.86	-37.2%

1 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
15.68	9.84	-5.84	-37.2%
14.07	8.83	-5.24	-37.2%
14.07	8.83	-5.24	-37.2%
11.96	7.51	-4.45	-37.2%
16.20	10.17	-6.03	-37.2%

2 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
18.06	11.33	-6.73	-37.3%
17.81	11.18	-6.63	-37.2%
15.68	9.84	-5.84	-37.2%
17.01	10.68	-6.33	-37.2%
31.62	19.84	-11.78	-37.3%

3 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
26.84	16.84	-10.00	-37.3%
17.81	11.18	-6.63	-37.2%

*This property will be receiving individual meters.

Combined Heat & Power

PICKWICK/COPPERFIELD
 WELLER & CHEERYBLE
 BLACKWOOD/BRISBANE
 NICKLEBY/BARKIS HSE

BEDSITS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
13.02	9.30	-3.72	-28.6%

1 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
14.36	10.25	-4.11	-28.6%
14.36	10.25	-4.11	-28.6%
14.36	10.25	-4.11	-28.6%

2 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
18.60	13.28	-5.32	-28.6%
18.60	13.28	-5.32	-28.6%
18.60	13.28	-5.32	-28.6%

3 BED DWELLINGS

Current weekly charge 2023/24 £	Proposed weekly charge 2024/25 £	Increase / Decrease £	%
21.78	15.55	-6.23	-28.6%
21.78	15.55	-6.23	-28.6%

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Proposed weekly rents for garages and parking sites	2023/24 weekly rent	2024/25 weekly rent	£ Change	% Change
<u>Proposed weekly garage rents</u>	£ p	£ p	£ p	%
Buckland				
Local Tenant / Leaseholder	16.92	18.05	1.13	6.7%
Other Locals (including VAT)	20.30	21.66	1.36	6.7%
Non-Local Tenant / Leaseholder (including VAT)	25.32	27.01	1.69	6.7%
Other Non-Locals (including VAT)	25.32	27.01	1.69	6.7%
Landport				
Local Tenant / Leaseholder	17.21	18.36	1.15	6.7%
Other Locals (including VAT)	20.66	22.04	1.38	6.7%
Non-Local Tenant / Leaseholder (including VAT)	27.55	29.40	1.85	6.7%
Other Non-Locals (including VAT)	27.55	29.40	1.85	6.7%
Leigh Park				
Local Tenant / Leaseholder	13.23	14.12	0.89	6.7%
Other Locals (including VAT)	15.88	16.94	1.06	6.7%
Non-Local Tenant / Leaseholder (including VAT)	15.88	16.94	1.06	6.7%
Other Non-Locals (including VAT)	15.88	16.94	1.06	6.7%
Paulsgrove				
Local Tenant / Leaseholder	13.23	14.12	0.89	6.7%
Other Locals (including VAT)	15.88	16.94	1.06	6.7%
Non-Local Tenant / Leaseholder (including VAT)	18.13	19.34	1.21	6.7%
Other Non-Locals (including VAT)	18.13	19.34	1.21	6.7%
City South				
Local Tenant / Leaseholder	17.81	19.00	1.19	6.7%
Other Locals (including VAT)	21.37	22.80	1.43	6.7%
Non-Local Tenant / Leaseholder	28.99	30.94	1.95	6.7%
Other Non-Locals (including VAT)	28.99	30.94	1.95	6.7%
Portsea				
Local Tenant / Leaseholder	18.41	19.64	1.23	6.7%
Other Locals (including VAT)	22.08	23.56	1.48	6.7%
Non-Local Tenant / Leaseholder (including VAT)	32.83	35.03	2.20	6.7%
Other Non-Locals (including VAT)	32.83	35.03	2.20	6.7%
Leasehold & Commercial				
Local Tenant / Leaseholder	17.81	19.00	1.19	6.7%
Other Locals (including VAT)	21.37	22.80	1.43	6.7%
Non-Local Tenant / Leaseholder (including VAT)	26.49	28.26	1.77	6.7%
Other Non-Locals (including VAT)	26.49	28.26	1.77	6.7%

Proposed weekly rents for garages and parking sites	2023/24 weekly rent	2024/25 weekly rent	£ Change	% Change
<u>Proposed weekly parking site rents</u>				
<u>Buckland</u>				
Underground for local tenants / leaseholders	6.03	6.43	0.40	6.6%
Underground for other locals (including VAT)	7.24	7.72	0.48	6.6%
Underground for non-local tenants / leaseholders (including VAT)	20.39	21.76	1.37	6.7%
Underground for other non-locals (including VAT)	20.39	21.76	1.37	6.7%
Above ground for local tenants / leaseholders	4.56	4.87	0.31	6.8%
Above ground for other locals (including VAT)	5.47	5.84	0.37	6.8%
Above ground for non-local tenants / leaseholders (including VAT)	15.42	16.45	1.03	6.7%
Above ground for other non-locals (including VAT)	15.42	16.45	1.03	6.7%
<u>City South</u>				
Underground for local tenants / leaseholders	6.43	6.86	0.43	6.7%
Underground for other locals (including VAT)	7.73	8.24	0.51	6.6%
Underground for non-local tenants / leaseholders (including VAT)	20.72	22.12	1.40	6.8%
Underground for other non-locals (including VAT)	20.72	22.12	1.40	6.8%
Open air spaces for local tenants / leaseholders	4.64	4.95	0.31	6.7%
Open air spaces other locals (including VAT)	5.57	5.94	0.37	6.6%
Open air spaces for non-local tenants / leaseholders (including VAT)	15.42	16.45	1.03	6.7%
Open air spaces other non-locals (including VAT)	15.42	16.45	1.03	6.7%
<u>Landport</u>				
Above ground for local tenants / leaseholders	4.64	4.95	0.31	6.7%
Above ground for other locals (including VAT)	5.57	5.94	0.37	6.6%
Above ground for non-local tenants / leaseholders (including VAT)	15.42	16.45	1.03	6.7%
Above ground for other non-locals (including VAT)	15.42	16.45	1.03	6.7%
<u>Leigh Park</u>				
Above ground for local tenants / leaseholders	2.43	2.59	0.16	6.6%
Above ground for other locals (including VAT)	2.92	3.11	0.19	6.5%
Above ground for non-local tenants / leaseholders (including VAT)	5.76	6.14	0.38	6.6%
Above ground for other non-locals (including VAT)	5.76	6.14	0.38	6.6%
<u>Paulsgrove</u>				
Above ground for local tenants / leaseholders	2.43	2.59	0.16	6.6%
Above ground for other locals (including VAT)	2.92	3.11	0.19	6.5%
Above ground for non-local tenants / leaseholders (including VAT)	6.28	6.70	0.42	6.7%
Above ground for other non-locals (including VAT)	6.28	6.70	0.42	6.7%
<u>Portsea</u>				
Underground for local tenants / leaseholders	6.80	7.26	0.46	6.8%
Underground for other locals (including VAT)	8.16	8.71	0.55	6.7%
Underground for non-local tenants / leaseholders (including VAT)	22.21	23.70	1.49	6.7%
Underground for other non-locals (including VAT)	22.21	23.70	1.49	6.7%
Above ground for local tenants / leaseholders	4.92	5.25	0.33	6.7%
Above ground for other locals (including VAT)	5.92	6.31	0.39	6.6%
Above ground for non-local tenants / leaseholders (including VAT)	15.42	16.45	1.03	6.7%
Above ground for other non-locals (including VAT)	15.42	16.45	1.03	6.7%

**Housing, Neighbourhood
and Building Services**

Civic Offices
Guildhall Square
Portsmouth
PO1 2AL

Click here to enter a date. Click
the arrow on the right to select

Dear Resident

Have your say on next year's rent and service charges by 29 December

Each year the council, your landlord, consults with you when setting rents and other charges that come into force from 1 April 2024. We have set out our proposed changes to rents below.

Rents

The level of rent increase that we can make is based on the inflation rate in September of each year plus 1%. The consumer prices index rate in September was 6.7 % so the maximum we can increase your rent by is 7.7%. This is below what we need to spend to maintain the services we provide for you (to do that, we would need to increase rents by 9.5%).

- The proposed 7.7% increase will generate £5.9m to help keep those local services running. If your rent is £100.00 per week, it would rise to £107.70 (an increase of £7.70).

The council will not increase any rent charges above the local housing allowance rate. This means that all rent charges will be less than the maximum allowed for housing benefit or universal credit, so your full rent will be eligible for benefits (your entitlement will depend on your household income and savings).

Heating charges

We have 15 blocks where we provide heating, and in some cases hot water. Our policy is to set the heating charge so that the full cost of heating and hot water is paid by the tenants in those blocks. We have reduced energy consumption and negotiated better tariffs with energy providers and are proposing a reduction in rates for blocks using gas or combined heat and power (CHP) energy. We do however need to propose an increase in rates for the blocks using electricity energy.

- If you currently pay £15.00 per week, your weekly charge will increase to £16.58 in Edgbaston & Tipton (electric), reduce to £10.75 in the sheltered blocks (gas) and reduce to £11.91 in the Dickens blocks (CHP).

Other charges

We set **general service charges** to pay for things like cleaning communal areas, the out-of-hours telephone service, money advice team and grounds maintenance. The proposed charges are:

- £7.42 per week for houses and bungalows (increase of £0.28 per week)
- £20.02 per week for flats, bedsits and maisonettes (increase of £1.82 per week)

Sheltered housing charges are only paid by tenants in these schemes and cover specific costs of shared facilities. The proposed charges are:

- £19.61 per week for tenants in category 1 schemes (increase of £1.27 per week)
- £64.25 per week for tenants in category 2 schemes (increase of £3.49 per week)
- £114.52 per week for tenants in category 2.5 schemes (increase of £6.72 per week)

Laundry costs - the proposed cost of laundry tokens in our blocks will be frozen next year, having risen for the first time in five years to reflect increased energy costs this year. The proposed charges are:

- Wash machine token £3.00 (no increase)
- Tumble dryer token £2.00 (no increase)

Garages and parking spaces - the current year's charges for garage and parking spaces were increased by inflation.

- A similar inflationary increase of 6.7% is proposed for 2024/25.

Tell us what you think.

We want to hear your views. We've used some of our recent resident engagement events to talk about the plans but if you haven't spoken to us yet, you can:

- feedback at the Residents Meeting on 4 January 2024 from 10am-12 noon at The Hub, Somerstown Central (contact the resident engagement team if you need help with transport)
- call us on 023 9383 4835
- send a text message to 07826 046712
- email housing.engagement@portsmouthcc.gov.uk
- Write to us or make an appointment to see us at
The Resident Engagement Centre, 37 Sharps Road, Havant, Hants, PO9 5QJ

We want to hear from as many people as possible, but we need your feedback by **29 December 2023**. This gives us time to consider all your views before the decision meeting at 9.30am on Friday 26 January 2024 in the Council Chamber of the Guildhall.

If you are experiencing problems paying your rent, please contact your housing officer. If you would like information about cost-of-living support, please visit portsmouth.gov.uk/costofliving or call **023 9284 1047**

Yours sincerely

James Hill
Director of Housing Neighbourhood and Building Services

Feedback from Rent Consultation Letter (Received by 3rd January 2024)

Resident	Comments
1	Being able to raise the rent by a maximum of 7.7% is ridiculous in the extreme. It might be nice for the Council to appreciate all our difficulties and maybe keep both the Council Tax and Rent frozen for a year or two to allow us to catch up financially. Also, the general service charge is really just another ridiculous money grab by the Council.
2	I would like to have an itemized bill of what we are paying for regards to the service charge, as we currently pay way above the UK average! I'm very disappointed with this service that Portsmouth is providing.
3	Don't agree with it. I live in a one bedroom, living on my own, poll tax is bound to go up with the cost of living and all that. I have more than one pension so don't get any benefits. 7.7% is too high. Could a single occupier get a discount like they do for council tax?
4	I wish to object to the proposed rent increase of 7.7%. I work full time to pay my full rent. I'm not getting a pay rise, gas and electric have gone up. Where exactly do you expect this extra money to come from?
5	Year after year the service charges are increased, when I personally see very little improvement in the cleaning of communal areas etc. I feel landlords are subsidising Council tenants and those on benefits. I strongly disagree with yet another increase of the service charges. It is just not fair.
6	Whilst I completely understand the need to increase the rents to your tenants in order to maintain your properties, I feel that the proposed increase of 7.7% will only further affect your tenants that are struggling throughout the cost of living crisis. I feel that an increase of this size to rents is only acceptable if the maintenance and improvements to your properties is carried out efficiently and cost effectively.
7	I appreciate the effort involved in proposing a 7.7% increase based on inflation rates. However, I would like to suggest considering a 9.5% increase, which aligns more closely with the requirements for maintaining essential services. Concerning existing service charges, it appears they are already substantial. To address this, I propose exploring the possibility of senior management taking a pay cut as a measure to balance the financial equation. This step could potentially alleviate the burden on residents.
8	Our only issue with the service charge is the amount of money we contribute to the sinking fund. As a responsible council this should have a ceiling. During the cost of living crisis, we are currently experiencing it needs to be reduced.
9	I'm not happy with the rise in our general service charge. You have put it up to £20.02 a week and I think that is too much.
10	I think it's disgusting, it's an increase of £35.00 a month with the service charge. As I work full time and cannot claim benefits, I don't know how I will afford this, I scrape by now, only people on benefits can afford to live in rented accommodation. It's getting ridiculous I can't afford to live anymore.
11	Maybe you can save money by not sending out pointless letters.

12	You want my view on the rent increase. What's the point, you will do what you want anyway. It's a greedy, mad stupid world we live in, and it gets worse every year. I'm just living on some pension money.
13	The index rate for November is only 4.6%, how can you justify the extra 3.1% when you will not be meeting about this matter until Friday 26th January and by time the meeting comes around the index maybe lower and we are sure the council tax will have an increase too, there are lots of family's out there who are finding it so hard in these times and increasing the rent by too much will just add to this problem and more will get into arrears or even become homeless from this increase, also our wages are not going up by the rate you are trying to put the rent up by.
14	My opinion on the proposed rent increase is that you are putting people in difficult situations with such high increases, it is hard enough with the cost of Electricity and Gas, not only food costs. I understand that rent needs to increase, however, to put it up so much is unfair and unjust. I know residents' opinions will not do anything to change the rent increase, but I appreciate being able to give my opinion.
15	I am writing this email to express my feelings towards the supposed general service charge that is due to increase, I think it is absolutely disgusting that you are proposing to increase the price considering your cleaners don't even do their job properly.
16	I do not think PCC should be raising the charges and I oppose the proposed changes to rents and services. For the most vulnerable becoming homeless and/or residing in temporary accommodation is a real risk in today's world. Give people a little security by not imposing more increases on them!
17	I think you should be giving our block a discount for some degree due to the bin situation. On the whole if I run my business as you run the council, I would be bankrupt and no wonder many councils have deficits in their budgets. My experience is most people I contact are incompetent to have jobs with their level of responsibility and accountability.
18	Whilst I cannot agree with any increase, however one must be realistic and accept that some rent charges must go up. My real concern is your general service charge. Why is a flat or maisonette so disproportionately more expensive than a house or bungalow?
19	I wonder if to cut costs, we should be emailing this information out. Also, it is felt that any representation of residents for the consultation process, should be led by a full rent paying person. An older person, dependant on lifelong benefit is not affected by any increases to rent or service charges.
20	A resident said that she didn't think that it was fair that it had gone up this much, as she pays full rent. She said that it should go down and not up and it wasn't fair that flats pay so much more than houses, but she understood it was due to the communal areas.
21	This 7% will crucify me as my job won't pay me anymore. Benefits won't cover this. It's disgusting as the council makes so much from parking. They don't listen to residents despite asking for feedback. You will have to move me due to my age.
22	I just wanted to say that I'm very happy with it all.

23	<p>There is a service charge added to my rent amount for lighting and such. I want us all to have security lighting on our houses and more lighting down the actual path itself. That's my main gripe and I hope this issue is addressed as urgent and not something that can wait.</p>
24	<p>For the first time due to the letter I received, I now understand what the general service charge is that I get charged alongside the rent. I am in a maisonette. I do not have access to the block as I use my own door, I am not allowed to use the bin shed, there is no communal area for my property and there is also no grounds maintenance as I have my own garden that I have to maintain. So, I'd like to be informed why I will be paying £20.02 a week.</p>
25	<p>As I understand that everything needs to increase, I would like to point out that an increase is fine, but something has to be given back to your tenants.</p>
26	<p>There are a number of points I want to make about the service charge. Grounds maintenance - inadequate lawn mowing, 10% off please. Play service - I have no children, 10% off please. There is no Youth Club, 10% off please.</p>
27	<p>I am writing to voice my concerns about the proposed increase in rents as many residents are already struggling to pay bills. I don't think PCC have taken into account that most people's wages and pensions have (not) risen in line with inflation. I fear this will result in an increase in homelessness and poverty with many people already living on the breadline.</p>
28	<p>With regard to the proposed increase service charge of £1.82 can you please advise the frequency that blocks of flats are cleaned. I think an extra 'weekly' payment (£7.28 4 weekly) is a bit off since the block clearly isn't being cleaned on a weekly basis.</p>
29	<p>Rent, that is fair. Service charge - service is not up to standard. Feel they are wasting a lot of money. If the service was better, would be happy to pay it.</p>

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Form name	Integrated Impact Assessment
Reference	IA574655816
Date	05/01/2024



Policy details

Request date	05/01/2024 10:19
Directorate	PCC Housing, Neighbourhood and Building Services
Service	Housing
Title of policy, service, function	Housing Budget 2024/25
Type of policy, service, function	Existing
What is the aim of your policy, service, function, project or strategy?	To set the new Housing Revenue Account Budgets for 2023/24 to 2027/28, and to agree changes to rents and other charges from 1st April 2024
Has any consultation been undertaken for this proposal?	yes
What were the outcomes of the consultations?	Consultation has been carried out through residents meetings and direct correspondence with our residents. The feedback did inform the proposal.
Has anything changed because of the consultation?	yes
Please provide details	Inflationary assumptions for utility costs and staff pay were revisited.
Did this inform your proposal?	yes
Please provide details	Proposals for service charges, sheltered housing charges and heating charges have been reduced.

Equality & diversity - will it have any positive/negative impacts on the protected characteristics?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Crime - Will it make our city safer?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Housing - will it provide good quality homes?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	The appropriate setting of rents ensures that the Council can continue to provide social housing that is well managed and well maintained.
How are you going to measure/check the impact of your proposal?	Regular consultation with residents.

Health - will this help promote healthy, safe and independent living?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Income deprivation and poverty - will it consider income deprivation and reduce poverty?

<p>Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?</p>	<p>Rents are set at a level that is affordable to those who have the most financial hardship. 97% of all properties are rented using Social Rents and we check that if someone is in receipt of full Housing benefit that their housing costs levied by the Council can be met.</p>
<p>How are you going to measure/check the impact of your proposal?</p>	<p>We do this by comparing average rents against the current Local Housing Allowance.</p>

Carbon emissions - will it reduce carbon emissions?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
---	--

Energy use - will it reduce energy use?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
---	--

Climate change mitigation and flooding - will it proactively mitigate against a changing climate and flooding?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
---	--

Natural environment - will it ensure public spaces are greener, more sustainable and well-maintained?

<p>This section is not applicable to my policy</p>	<p><input checked="" type="checkbox"/></p>
---	--

Air quality - will it improve air quality?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Transport - will it make transport more sustainable and safer for the whole community?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Waste management - will it increase recycling and reduce the production of waste?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Culture and heritage - will it promote, protect and enhance our culture and heritage?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Employment and opportunities - will it promote the development of a skilled workforce?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
---	-------------------------------------

Economy - will it encourage businesses to invest in the city, support sustainable growth and regeneration?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
--	-------------------------------------

Social value

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Involvement

Who was involved in the Integrated impact assessment?	James Hill, Director of Housing, Neighbourhood and Building Services
Name of the person completing this form	Alan Denford
Date of completion	2024-01-05

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Agenda Item 4



Portsmouth
CITY COUNCIL

Title of meeting:	Cabinet Member for Housing and Tackling Homelessness
Date of meeting:	26 th January 2024
Subject:	Fire Safety Policy
Cabinet Member:	Councillor Sanders – Cabinet Member for Housing and Tackling Homelessness
Report by:	James Hill - Director of Housing, Neighbourhood and Building Services
Report Authors:	Steve Groves - Head of Building Maintenance, Mark Fitch - Head of Local Authority Housing Phil Bentley - Head of Estate Services
Wards affected:	All
Key decision:	Yes
Full Council decision:	No

1. Purpose of report

- 1.1 The purpose of the report is to update members of a review of the existing fire safety policy by the Fire Safety Group, including the resident consortium and to seek approval to implement proposed changes to the policy.

2. Recommendations

- 2.1 That the fire safety policy (Appendix A – Fire Safety Policy, version 1.3) is approved and Housing, Neighbourhood and Building Services implement the revised fire safety policy which includes the following changes.
- 2.1.1 The main change to the fire policy is the management of the means of escape and communal areas within blocks of flats. The policy changes the current 'managed use' approach to a 'zero tolerance' approach to be adopted for common walkways or stairwells except for Cat 2 and Cat 2.5 blocks that will remain 'managed use'.
- 2.1.2 Other changes to the fire policy include the scope of the policy extended to specifically include individual doors opening onto common parts of the building and the external structure (including doors, windows, cladding and balconies) of blocks of flats. The lowering of the classification of higher risk blocks from ten storeys to seven storeys, confirmation of where fire safety information will be

provided and premises information boxes, details of fire door inspections, firefighting equipment fault reporting and assisted evacuation.

2.2 The implementation and communication plan that is set out in section 5 is approved.

3. Background

3.1 Housing, Neighbourhood and Building Services (HNB) have a fire safety group which meets quarterly and consists of management representatives from each service including building maintenance, building projects, the building safety manager, estate services, local authority housing management, insurance, health & safety, repairs support and building compliance. The purpose of the group is to coordinate and communicate fire safety actions across all Housing, Neighbourhood and Building service teams. The group review fire risk assessment actions, fire safety audits and inspections, changes to legislation, building projects, impact on policies and strategies, training, building safety manager feedback, review of previous fires, Hampshire & Isle of Wight Fire & Rescue Service liaison and fire communication with residents.

3.2 The Fire Safety (England) Regulations 2022 introduced new duties from the 23 January 2023

- a) high-rise residential buildings (18m or seven storeys and above in height) provide their local fire and rescue service with information about the design and materials of the building's external walls and to inform their local fire and rescue service of any material changes made to them.
- b) draw up and share electronically up-to-date floor plans identifying the location of key fire-fighting equipment with their local fire and rescue services.
- c) high-rise residential buildings (18m or seven storeys and above in height) to undertake additional monthly checks of firefighting equipment and lifts within the building that are designed, installed and maintained to be used by fire-fighters (with the addition of evacuation lifts) and of the mechanism which allows fire-fighters to take control of lifts. Monthly checks will also be required on all evacuation lifts.
- d) high-rise residential buildings (18m or seven storeys and above in height) to install Wayfinding Signage in their buildings.
- e) requirement for existing high-rise residential buildings (18m or seven storeys and above in height) to have a secure information box installed on the premises.
- f) undertake quarterly checks of all fire doors (including self-closing devices) in the common parts in blocks over 11m in height.
- g) undertake – on a best endeavour basis – annual checks of all flat entrance doors (including self-closing devices) that lead onto a building's common parts.

3.3 The existing fire safety policy currently states within section 4.4 'Means of Escape Routes' that;

'With regard to residents' possessions within the common parts of blocks of flats a 'managed use' approach will be undertaken with an assessment of the hazards or risks for each particular block. In all circumstances a minimum 800mm walkway must be maintained at all times or the width defined in Part B of the fire safety building regulations, whichever is greater'.

This approach can create conflict with Fire Risk Assessments (FRAs) by competent assessors and Estate Services staff managing the blocks versus interpretation by residents of the hazards or risks in a block.

3.4 There is no legislation stating how to manage communal areas, however there is guidance available for social housing landlords within 'Fire safety in purpose-built blocks of flats' guidance produced by the Local Government Group and widely referenced within the housing sector.

3.5 The PCC tenancy agreement states that:

'Communal areas are locations that all residents have access to and may include stairways, corridors, balconies, lifts, shared gardens and other housing land. You must keep communal areas clear of your personal belongings and rubbish'.

3.6 Other local social housing providers have policies that have a zero-tolerance approach

- Vivid Housing Association have a fire policy that states 'Ensuring good housekeeping at all times, maintaining a zero tolerance of items that could potentially catch fire or block fire escape routes'.
- Sanctuary Housing states, 'For your safety, we have a zero-tolerance policy towards items in communal areas, which includes stairways, lifts, landings and hallways. Keep ALL communal areas clear of obstructions, for example plant pots, prams, mobility scooters and bikes'
- Sovereign have a policy that states ' you must not use the communal areas to store any possessions, to dump unwanted goods or for decorative items outside your front door'.
- Clarion Housing state that 'You're not allowed to keep or store anything in communal areas. Keep communal areas clear of rubbish and personal items, so you can escape quickly and safely in the event of a fire or emergency'.

3.7 Fire Risk Assessments (FRAs) undertaken at HNB blocks of flats regularly highlight management actions to clear personal belongings from the communal areas. A review of fire risk assessments undertaken during 12-month period at all tower blocks (ten storeys and above), indicated that half the blocks FRAs had identified items to be removed from communal areas ranging from plants,

furniture, bicycles, pictures, notice boards, door mats. Low rise blocks of flats regularly also encounter similar issues within the communal areas with regard to similar personal items requiring removal.

Communal Areas Zero Tolerance versus Managed Use

- 3.8 Good housekeeping is fundamental to reducing risk in blocks of flats and controlling the presence of combustible materials and ignition sources. There is a tendency for some residents to treat the common areas of blocks of flats as an extension of their own home.

'Zero Tolerance Policy'

- 3.9 A 'zero tolerance' approach is one in which residents are not permitted to use the common parts to store or dispose of their belongings or rubbish. No exceptions would apply. It would ensure that the common parts are effectively 'sterile' free of combustible material, ignition sources and obstructions. The scope of the zero-tolerance approach is focused only communal means of escape and not private garden areas or drying areas that are not part of the means of escape route.
- 3.10 The benefits of this approach are that there is no ambiguity regarding what is allowed and therefore residents know exactly where they stand. It removes not only the risk from accidental fires, involving items in the common parts, but also denies fuel for the arsonist.
- 3.11 Enforcing authorities including Hampshire Isle of Wight Fire & Rescue Service (HIWFRS), confirmed that they prefer and support this change to a zero-tolerance approach as it will improve fire protection and operational response to a fire. It provides a consistent approach to ensure the communal areas are kept sterile and do not pose an increased risk to those escaping or spreading fire. Stored items in communal areas, regardless of combustibility, restrict access and egress for residents and firefighters, take up space that is required to set up safe systems of work such as hose lines, become a trip hazard when visibility is reduced due to smoke and can spread the fire.

It can also reduce the liability on landlords for not only fire related risks but other health and safety risks such as trips and falls.

Managed Use Policy

- 3.12 The alternative is 'managed use'. This approach allows strictly defined use of common parts and limits the items allowed to control the fire load or reduce ease of ignition. It includes strict conditions on where such items can be kept.
- 3.13 The benefits of the managed use approach is that it allows risk factors to specific types of accommodation to be taken into consideration and can for instance benefit residents in blocks with older and disabled residents by allowing them to

store mobility aids at the point of access, although this does not include mobility scooters.

- 3.14 There are however disadvantages of the managed use approach as there is more scope for residents misunderstanding what is permitted. The risk of deliberate ignition can still be a significant concern and if a block has a managed use approach, then much more frequent block inspections will be required.

4. Reasons for recommendations

- 4.1 It is recommended that the fire safety policy is updated to a 'zero tolerance' policy for all general needs blocks of flats. The approach will be enforced by the Estate Services team to ensure that the common parts are 'sterile' and free of combustible material, ignition sources and obstructions. No resident's items will be permitted within these common areas, in line with advice from HIWFRS.

- 4.2 Cat 2 and Cat 2.5 blocks of flats will have a 'managed use' recommended as they have effective restricted access controls, fire detection systems and the buildings are managed with Scheme Managers and staff on site who can daily actively manage the risks and ensure the strictly defined use of common parts and permitted items are enforced.

- 4.3 In these blocks of flats the 'managed use' will permit residents to have the following items within the common areas providing they are not likely to cause obstruction to the means of escape

- disabled and mobility aids but not mobility scooters with batteries
- place pot plants and door mats outside their front doors
- small non-combustible (e.g Ceramic) ornaments
- basic furniture and but no upholstered seating

- 4.4 The reason that it is not recommended to continue having a 'managed use' approach elsewhere is that it has the potential to be inconsistently applied by different areas as its more subjective and can also be interpreted differently by residents. This is evidenced from the fire risk assessments where issues are regularly identified.

- 4.5 Discussions with Hampshire and Isle of Wight Fire and Rescue Service (HIWFRS) has confirmed their preference is that communal areas have a 'zero tolerance' with no combustible items within the communal areas. HIWFRS have stated that they are supportive of a zero-tolerance approach for blocks of flats as this reinforces a level of consistency across the estate. It supports them by maintaining the escape route should it be required in a fire situation and enables a clutter free sterile environment when firefighting actions are required.

- 4.6 The resident consortium has been consulted throughout and the changes to the policy were discussed with the consortium at meetings on 9 September 2021, 1 September 2022 and 5 October 2023 regarding the proposed changes to the

management of communal areas. The resident repairs and maintenance sub-group were also provided with the draft policy and a briefing document. The final draft policy has been distributed to the resident consortium and no objections were raised regarding the proposed 'zero tolerance' approach.

4.7 The Estate Services team have undertaken the 'zero tolerance' approach at a number of blocks where management of means of escape routes were identified as an issue as part of fire risk assessments. These were successfully implemented by communicating with the residents as appropriate, including one-to-one discussions, and making residents aware of the reasons for the requirements. Residents were also provided with support from the Estate Services Officers to move items.

4.8 Where the approach has identified permanent non-flammable items were required such as notice boards or seating, these have been arranged by the repair's teams.

5. Consultation, Engagement and Implementation Plan

5.1 If approved, the policy will start to be implemented from 1 April 2024, which will enable the policy changes to be communicated to residents through articles in Housetalk, posters in the communal areas, social media and the Council website will be updated.

5.2 The Estate Services team will phase the implementation of the policy as part of the monthly block inspections undertaken, engaging one-to-one with residents and will initially focus on the higher risk blocks.

5.3 The Estate Services wardens will engage with residents by having an in-person conversation with the resident informing them of the fire policy, the safety measures undertaken and provide general fire safety advice. They will also discuss with the resident their responsibilities.

5.4 If there are any specific items that have been identified in the communal areas that need to be removed then they will agree a mutually sensible timescale for their removal based on an assessment of the risk.

5.5 As part of the in-person discussion with the resident by the Estate Services wardens there can also be wider consultation regarding how the communal spaces are being utilised and demand for using the communal areas may be identified such as storage or seating or planting areas.

5.6 If residents are not in at the time of the Estate Services wardens visits, then they will leave letters and leaflets providing advice and requesting an in-person discussion if necessary.

5.7 New residents in blocks of flats will be informed of the fire policy as part of their sign up with the housing officer including information and advice about the stay

put policy, management and maintenance of means of escape routes, fire doors, firefighting equipment, smoke detectors, private balconies, assisted evacuation, gas bottles and the mobility scooters policy.

5.8 HIWFRS will be available if appropriate to undertake joint visits to residents to provide additional fire safety advice and reinforce the importance of managing the communal areas.

6. Integrated impact assessment

An Integrated Impact Assessment has been completed and submitted and is shown in Appendix B.

7. Legal implications

7.1 The Building Safety Act 2022 introduced secondary legislation in the form of the Fire Safety (England) Regulations 2022. The legal provisions relevant to the recommendations in this report are set out in the body of the report.

7.2 Whilst residents have been involved in consultation about amendments to the policy via the residents' consortium and the residents' maintenance subgroup, it is important that the cabinet member considers whether s.105 of the Housing Act 1985 applies and if so, whether a wider consultation and representation period is required before a final decision is made on the matter. S.105 states:

- (1) *A landlord authority shall maintain such arrangements as it considers appropriate to enable those of its secure tenants who are likely to be substantially affected by a matter of housing management to which this section applies-*
- (a) *to be informed of the authority's proposals in respect of the matter, and*
 - (b) *to make their views known to the authority within a specified period;*

And the authority shall, before making any decision on the matter, consider any representations made to it in accordance with those arrangements.

- (2) *For the purposes of this section, a matter is one of housing management if, in the opinion of the landlord authority, it relates to-*
- (a) *the management, maintenance, improvement or demolition of dwelling-houses let by the authority under secure tenancies, or*
 - (b) *the provision of services or amenities in connection with such dwelling-houses.*

(3) *This section applies to matters of housing management which, in the opinion of the*

landlord authority, represent-

- (a) *a new programme of maintenance, improvement or demolition, or*
- (b) *a change in the practice or policy of the authority,*



And are likely substantially to affect either its secure tenants as a whole or a group of them who form a distinct social group or occupy dwelling-houses which constitute a distinct class (whether by reference to the kind of dwelling-house, or the housing estate or other larger area in which they are situated).

7.3 In respect of enforcement of the council's policy, the council should ensure that clear and lawful processes and procedures are in place and applied in appropriate cases.

7.4 When considering the recommendations, the cabinet member must have due regard to the public sector equality duty contained within s.149 of the Equality Act 2010, namely the need to have due regard to the need to: eliminate discrimination, harassment, victimisation or other prohibited conduct; advance of equality of opportunity between persons who share a relevant protected characteristic and those who do not and foster good relations between those who share a relevant characteristic and those that do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

7.5 It is within the cabinet member's powers to make the recommendations sought.

8. Director of Finance's comments

8.1 There are no financial implications that result directly from the approval of the recommendations in this report.

.....
Signed by:
James Hill
Director of Housing, Neighbourhood and Building Services

Appendices:

Appendix A – Fire Safety Policy (version 1.3)

Appendix B - Integrated Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Fire Safety (England) Regulations 2022	The Fire Safety (England) Regulations 2022 (legislation.gov.uk)



'Fire safety in purpose-built blocks of flats' guidance produced by the Local Government Group	LGA Guidance Fire Safety in Blocks of Flats
PCC Tenancy Agreement	

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

.....
Signed by:

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Document control information

Version:	1.3
Status:	Draft / Consultation / Approved
Owner:	Head of Building Maintenance
Author:	Steve Groves
Approval:	Director of Housing, Neighbourhood and Building Services Assistant Director of Building Services Cabinet Member for Housing
Consultation:	Resident Consortium Fire Safety Group Hampshire & Isle of Wight Fire & Rescue Service
Audience:	Housing, Neighbourhood and Building Services staff Service Provider and Contractor staff
Approved:	TBC
Last Reviewed:	
Next Review:	As a result of changes in legislation or repairs and maintenance policy or TBC
Master location (restricted):	HNB/ Service Management/ Maintenance/ Strategy Policy & Scope/ Repairs & Maintenance Policies
Published location:	R&M database Extract folder within Policies, Guides and Documents section

Document review and change log		
Version	Approved date	Reason for Issue
1.0	4 Nov 2014	Initial consolidation and rewrite of R&M policies
1.1	23 Nov 2016	Management review to reflect discussions with Hampshire Fire & Rescue Service
1.2	28 May 2019	Management review, update and approval by Fire Safety Group
1.3	26 Jan 2024	Management review to reflect the Fire Safety Act 2021, Building Safety Act 2022 and Fire Safety (England) Regulations 2022, plus change to management of communal areas

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 4.8. SMOKE DETECTORS 5

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 4.12. ASSISTED EVACUATION 6

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1. Purpose and scope

This policy was approved as part of a review of Portsmouth City Council housing repairs and maintenance policy documents.

The policy applies to the repairs and maintenance service provided to the council's tenants and leaseholders. It defines rules to be applied but stops short of giving detailed procedural guidance as this may change.

In addition, reference should be made to the relevant tenancy agreement or lease document.

2. Document context

This document should be read in conjunction with:

- The relevant policy guideline document which outlines further detail when implementing a policy.
- The Repairs and Maintenance Scope of Service which outlines the purpose and value steps for each of the repairs and maintenance service lines. The document also summarises our principles of work, definitions of waste, decision making using PLANⁱ and our capability measures.
- The Asset Management Strategy which sets out a framework for the council's Housing Revenue Account (HRA) properties to make future decisions about its assets over the next 30 years.
- Where relevant there are links to legislation related to the policies as necessary, however be aware that some changes to the legislation published may be outstanding and legal advice should be sought where appropriate.

ⁱ PLAN - Proportionate, Legal, Accountable and Necessary

3. Arbitration and escalation

Front-line staff requiring help interpreting and implementing the policy should seek advice from their line manager in the first instance.

Where a decision requires arbitration or further escalation the following table outlines the escalation pathway.

Escalation	Job Title
First	Building service team manager ⁱⁱ
Second	Head of Building Maintenance
Third	Assistant Director of Building Services

In addition, a tenant or leaseholder can make a formal complaint using the council's complaints policy. In the first instance they should contact the person or section dealing with their problem and ask to register a complaint.

ⁱⁱ Building Repairs Manager or Building & Compliance Manager or Building Safety Manager or Building Projects Manager

4. Fire safety

4.1. Purpose

This policy outlines the council's approach to the management of fire safety and its obligations with regard to the [Fire Safety \(England\) Regulations 2022](#), [Fire Safety Act 2021](#), [Regulatory Reform \(Fire Safety\) Order 2005](#), [Housing Act 2004](#), [Health & Safety at Work etc. Act 1974](#) and their successors.

4.2. Scope

The policy covers all council Housing Revenue Account (HRA) dwellings including the common parts, individual doors opening onto common parts of the building and external structure (including doors, windows, cladding and balconies) of blocks of flats, sheltered schemes and houses in multiple occupation.

It also includes all other HRA assets as appropriate such as offices.

4.3. Fire risk assessment

The council will undertake Fire Risk Assessments (FRA) to all relevant properties under the Fire Safety Act 2021 and Regulatory Reform (Fire Safety) Order 2005 implementing appropriate fire measures to all blocks of flats to minimise the risk of injury or loss of life in the event of a fire.

For the purpose of FRAs the Responsible Person will be the Director Housing, Neighbourhood and Building Services.

A Type 1 non-destructive survey to the non-dwellings using the PAS79-:2012 Code of Practice for all FRAs undertaken.

A new FRA assessment will be undertaken when the building has a change of use, there has been a material change to the building design or there has been a fire.

A review of an FRA will be undertaken whenever a significant change has occurred to a block of flats or asset but will not exceed 3 years from the original FRA. A more frequent review will be carried out if deemed appropriate by the fire risk assessor undertaking the original FRA.

No more than two reviews will be undertaken of an original FRA before undertaking a new FRA.

FRAs for higher risk assets such as blocks of flats that are seven storeys and above, sheltered blocks, houses in multiple occupation or offices, will be undertaken by appropriately competent third-party registered fire risk assessors. FRAs for lower risk assets such as blocks of flats that are six storeys and below, will be undertaken by in-house building surveyors who have

completed appropriate training and regular assessment to demonstrate their competence.

Residents in sheltered or supported housing or individual residents identified in general needs housing who are at a higher risk of fire in their own accommodation, a person-centred fire risk assessment will be undertaken that relates to the safety of the individual residents.

4.4. Stay put policy

All blocks have a stay put policy unless specifically identified as part of the fire risk assessment that it is not appropriate.

If a fire starts within residents flat, the occupants should alert others within the flat, make their way out of the building and contact the fire and rescue service.

If a fire starts in the common parts, anyone in these areas should make their way out of the building and contact the fire and rescue service.

All other residents within a block of flats not directly affected by the fire are expected to 'stay put' and remain in their flat unless directed to leave by the fire and rescue service.

4.5. Means of escape routes

Fire separation and compartmentalisation between the common parts and individual properties (horizontally and vertically) will be maintained and actions undertaken as appropriate.

In all circumstances a minimum 800mm walkway must be maintained at all times or the width defined in Part B of the fire safety building regulations, whichever is greater.

Mobility scooters should not be stored or charged in the internal communal area unless an area has already been specifically designed and set aside for this purpose.

Emergency lighting will be installed to all means of escape routes as appropriate and will be regularly tested. A standard test will be undertaken monthly and a discharge test will be undertaken annually.

Decorated surfaces will be to class 'O' standard to prevent the spread of flame.

4.6. Fire Doors

Where property entrance doors open directly onto a communal escape route then a minimum of a 'notional fire door' should be installed for low rise blocks (up to two storeys). An 'upgraded fire door' should be installed for medium rise blocks (three to five storeys) and 'replacement FD30s' for high rise blocks (six storeys and above).

All property entrance doors to properties that open directly onto a single communal escape route will be inspected annually to check that there is no visible damage to the door and that it closes correctly, any repairs identified will be raised as soon as possible.

Within blocks of flats that are 11m or higher and sheltered blocks of flats, the communal fire doors in the means of escape routes will be inspected every 3 months to check that there is no visible damage to the door and that it closes correctly, any repairs identified will be raised as soon as possible.

4.7. Firefighting equipment

Dry risers will be installed in all blocks of flats seven storeys and above unless no installation is agreed with Hampshire Fire and Rescue Service. Dry risers will be serviced annually.

Firefighting equipment will be inspected monthly to visually confirm that it has not been damaged.

Where any fault is identified the council will take steps to rectify the fault. Where a fault cannot be rectified within a 24-hour period, beginning with the time the fault is identified, as soon as reasonably practicable the council will report the fault to the local fire and rescue authority by electronic means and then report the rectification of the fault.

4.8. Smoke detectors

All council dwellings will be fitted with at least one mains operated smoke detector with a battery back-up on each dwelling floor level as appropriate which will be replaced in accordance with manufacturer's instructions by the expiry date. If on inspection the smoke detector is within one year of the manufacturer's expiry date it will be replaced.

We will regularly test smoke detectors installed within our council dwellings annually.

Leaseholders will be responsible for testing and maintaining smoke detectors within their own dwelling.

Within blocks of flats that are ten storeys or more high, the communal areas will have smoke detectors that are linked to Automatic Opening Vents (AOVs) as appropriate, these shall be tested every six months.

4.9. Management of Communal Areas

Communal areas where the common walkways or stairwells form the means of escape routes, a 'zero tolerance' approach will be enforced with regard to resident's possessions to ensure that the common parts are 'sterile' and free of combustible material, ignition sources and obstructions. No resident's items will be permitted within these common areas.

The exception is the management of communal areas and residents' possessions within the common parts of the block of flats that are sheltered block Cat 2 or Cat 2.5 will be a 'managed use' approach.

The 'managed use' permits residents to have the following items within the common areas providing they do not cause obstruction to the means of escape and have been approved by the Scheme Manager

- place pot plants and door mats outside their front doors
- have framed pictures and notice boards on walls
- Small non-combustible (e.g Ceramic) ornaments
- basic furniture and not upholstered seating

4.10. Private Balconies

The use of any barbeques, fire pits or patio heaters on any private balcony is prohibited. Any items stored or fixed to the private balcony must be non-combustible.

4.11. Fire Safety Information

Fire Safety Logbooks will be located in any buildings where staff are located in offices, to assist site management teams so that they can record fire safety training, maintenance inspections and fire incidents. The logbooks will be retained on site for three years.

Premises Information boxes providing information regarding the building, active fire protection systems and vulnerable residents unable to self-evacuate as per the NFCC code of practice, will be accessible to Hampshire Isle of Wight Fire and Rescue Service when attending a fire incident in all blocks of flats seven storeys and above and sheltered blocks (Cat 1, Cat 2 and Cat 2.5). The information will also be provided electronically.

The premises information boxes will be inspected monthly to ensure they are not damaged and validate the information is correct.

4.12. Assisted Evacuation

Any residents that have been identified that are unable to self-evacuate their property in the event of a fire, the Hampshire & Isle of Wight Fire and Rescue Service will be informed that an assisted evacuation is required in the event of a fire and appropriate information will be recorded in the premises information box.

4.13. Gas Bottles

The storage of gas bottles is not permitted in the dwelling or communal storage areas in any Large Panel System (LPS) building seven storeys and above, the

Council will write to the residents to inform them annually that gas bottles are not permitted to be stored and posters will also be displayed within the communal areas.

4.14. Mobility Scooters

The Mobility Scooter Storage Policy for Local Authority Housing Stock provides specific guidance on the use and storage of mobility scooters to promote responsible scooter ownership.

Form name	Integrated Impact Assessment
Reference	IA572728286
Date	29/12/2023



Policy details

Request date	29/12/2023 13:17
Directorate	PCC Housing, Neighbourhood and Building Services
Service	Building Services
Title of policy, service, function	Fire Safety Policy
Type of policy, service, function	Changed
What is the aim of your policy, service, function, project or strategy?	The aim of the policy is to set out how fire safety will be managed to the relevant areas of HRA blocks of flats.
Has any consultation been undertaken for this proposal?	yes
What were the outcomes of the consultations?	The Fire Safety policy including proposed updates was presented to the Residents Consortium on 5th October 2023, there was no feedback received. The Fire Safety Policy has been reviewed by Hampshire and Isle of Wight Fire and Rescue Service who have confirmed support of the policy.
Has anything changed because of the consultation?	no
Did this inform your proposal?	yes
Please provide details	Feedback received from Hampshire and Isle of Wight Fire and Rescue Service confirmed support for a move to a 'zero tolerance' approach regarding the management of common parts of general needs blocks of flats.

Equality & diversity - will it have any positive/negative impacts on the protected characteristics?

<p>With the above in mind and following data analysis, who is the policy, service, function, project or strategy going to benefit or have a detrimental effect on and how?</p>	<p>The policy will benefit all residents living within HRA blocks of flats as the policy seeks to ensure the management of Fire Safety to these properties ensuring the safety of residents.</p>
<p>Will any of those groups be affected in a different way to others because of your policy, project, service, function, or strategy?</p>	<p>A 'zero tolerance' approach to the management of common areas in general needs blocks of flats will be adopted. A 'managed use' will remain in Cat 2 and 2.5 blocks.</p>
<p>If you are directly or indirectly discriminating, how are you going to mitigate the negative impact?</p>	<p>A different approach is proposed between general needs blocks of flats and Cat 2 and 2.5, primarily due to how residents use the common parts and how PCC can control items within them.</p> <p>Where a 'zero tolerance' approach is implemented liaison will be undertaken with residents to ensure they understand the rationale behind the approach and how it will increase the safety for them living within their block of flats.</p>
<p>Who have you consulted with or are planning to consult with and what was/will be your consultation methodology?</p>	<p>Consultation has been undertaken with the Residents Consortium and Hampshire and Isle of Wight Fire and Rescue Service through presentation and review of the policy.</p> <p>The policy will be communicated generally to residents through Articles in Housing Magazine and posters within blocks. A phased approach to implementation will occur and 1-2-1 consultation will be undertaken with residents to explain the changes alongside general notification to residents and posters in communal areas.</p>
<p>How are you going to review the policy, service, project or strategy, how often and who will be responsible?</p>	<p>Fire Safety Group meetings are held on a quarterly basis, during these meetings consideration is given as to whether there are any changes to legislation or policy that may necessitate a review of the Fire Safety Policy. Where necessary the Fire Safety Policy is reviewed and updated, lead by the Head of Building Maintenance.</p>

Crime - Will it make our city safer?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Housing - will it provide good quality homes?

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?	The proposed changes to the Fire Safety policy will ensure that PCC continue to provide Council homes that are of good quality and improve resident safety within blocks of flats.
How are you going to measure/check the impact of your proposal?	Measures will be implemented to monitor the number of Fire Risk Assessment actions linked to the storage of items within common parts of blocks of flats and ongoing monitoring of fires linked to items within common parts of blocks of flats.

Health - will this help promote healthy, safe and independent living?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Income deprivation and poverty - will it consider income deprivation and reduce poverty?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Carbon emissions - will it reduce carbon emissions?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Energy use - will it reduce energy use?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Climate change mitigation and flooding - will it proactively mitigate against a changing climate and flooding?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Natural environment - will it ensure public spaces are greener, more sustainable and well-maintained?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Air quality - will it improve air quality?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Transport - will it make transport more sustainable and safer for the whole community?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Waste management - will it increase recycling and reduce the production of waste?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Culture and heritage - will it promote, protect and enhance our culture and heritage?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Employment and opportunities - will it promote the development of a skilled workforce?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Economy - will it encourage businesses to invest in the city, support sustainable growth and regeneration?

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Social value

This section is not applicable to my policy	<input checked="" type="checkbox"/>
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Involvement

Who was involved in the Integrated impact assessment?	Adam Hardwick - Assistant Director of Buildings
Name of the person completing this form	Adam Hardwick - Assistant Director of Buildings
Date of completion	2023-12-29