

**Title of meeting:** Cabinet Member for Housing and Tackling Homelessness

**Date of meeting:** 12<sup>th</sup> March 2025

**Subject:** Council Housing Maintenance and Improvements (including non-dwelling) Budget Allocation 2025/2026

**Report by:** James Hill, Director of Housing, Neighbourhood and Building Services

**Report Authors:** Adam Hardwick - Assistant Director Building Services  
Alan Denford - Finance Manager (HNB)  
Merrick Trevaskis - IT Business Partner (Housing IT Capital Element)

**Wards affected:** All

**Key decision:** Yes - Over £250,000

**Full Council decision:** No

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## 1. Purpose of Report

- 1.1 The Council Housing Repairs & Maintenance Revenue Budget for 2025/26 was approved within the *Council Housing Budget 2025/26 (including rent setting)* report at the Housing and Tackling Homelessness Cabinet Member decision meeting on 22<sup>nd</sup> January 2025.
- 1.2 The Council Housing Repairs & Maintenance Capital Budget (Major Repairs Dwellings) for 2025/26 was approved within the *Portsmouth City Council - Budget & Council Tax 2025/26, Medium-Term Budget Forecast 2026/27 to 2028/29 and Capital Strategy 2025/26 to 2034/35* report by the City Council on 25<sup>th</sup> February 2025. The HRA Assets (Non-Dwelling) Capital Budget was approved at the same meeting.
- 1.3 The purpose of this report is to inform Members of the spending proposed for the financial year 2025/26 for revenue and capital funded maintenance and improvement programmes for the City Council's retained housing stock (Portsmouth Homes) together with the HRA Assets (Non-Dwelling) capital scheme (including Housing IT Business Software) and to seek approval to incur expenditure in respect of the capital schemes and rolling programmes.
- 1.4 The report will also update the Cabinet Member on the year end position on the delivery of the 2024/25 Repairs & Maintenance programmes, the forecast spend against the approved budget, how the budget allocation supports improvement work linked to the Regulatory Judgement by the Regulator of Social Housing and pressures impacting the Repairs and Maintenance service.

## **2. Recommendations**

- 2.1 The Cabinet Member notes the allocation of finance for the funding of the Revenue Budgets for repairs and maintenance of dwellings and non-dwellings listed in Appendix A.
- 2.2 The Cabinet Member approves the allocation of capital budgets listed in Appendix B and Appendix C for 2025/2026, and the Director of Housing, Neighbourhood and Building Services be authorised to seek approval from the Director of Finance and Resources (Section 151 Officer) under Financial Rules, Section B11, to proceed with schemes within the sums allocated.
- 2.3 The Cabinet Member notes the Building Safety Remediation programme listed in Appendix D that includes works over future years and that approval for future years capital expenditure will be sought via the Council Housing Maintenance and Improvements (including non-dwelling) Budget Allocation report being brought in March of each year.
- 2.4 The Cabinet Member notes the allocation of funding to support improvement measures in relation to the Regulatory Judgement by the Regulator of Social Housing.
- 2.5 The Cabinet Member notes the year end position and progress of the 2024/25 Repairs and Maintenance budget plan and capital spend.
- 2.6 The Cabinet Member requests that a mid-year report is brought to provide an update as to in year revenue expenditure and progress of the HRA capital programme, including the Building Safety Remediation programme.

## **3. Background**

- 3.1 The Council Housing Maintenance and Improvement Budget 2025/2026 outlines all of the programmed capital and revenue, maintenance, and improvement expenditure to HRA dwellings and other HRA assets. HRA dwellings in this context means the city councils council housing stock also known as Portsmouth Homes and non-dwellings held in the housing revenue account.
- 3.2 The budget programme amounts to a continued significant investment in the City Council's retained housing stock, and at the same time allowing flexibility to deal with emergent and changing building maintenance priorities.
- 3.3 Budget allocations for 2025/2026 have been profiled to allow for increased expenditure of revenue and capital works, in relation to key activities to support work to meet the regulatory requirements of the Social Housing (Regulation) Act 2023, Building Safety Act 2022 and the Decent Homes Standard.

3.4 On the 29<sup>th</sup> January 2025 the Regulator of Social Housing issued a regulatory judgement following a self-assessment and self-referral. Reports to housing cabinet in September 2024 and in February 2025 provide the detail related to the self-referral and self-assessment. In relation to the recent Regulatory Judgement by the Regulator of Social Housing, specific budget allocations have been set to support improvement works against a number of key areas, these include;

- Funding to accelerate the undertaking of electrical inspections (EICR) to increase to 20% of the stock per year to ensuring that all properties have an EICR within 5 years by 2027/28.
- Increased funding to address fire risk assessment actions
- Increased funding and development of a Building Safety Remediation programme to continue to address higher risk fire risk assessment actions
- Increased allocation of staffing budgets within Building Services to provide additional resources within the Building Safety team to support the management of fire risk assessment actions
- Increased allocation of staffing budgets within Building Services to accelerate the undertaking of stock condition surveys and completion of Health and Housing Safety Rating System (HHSRS) surveys

#### **4. Revenue Budget - Repair and Maintenance Budget**

4.1 A total of £31,287,000 has been allocated to Revenue expenditure. This figure includes a 2.7% uplift from the 2024/25 budget.

4.2 The allocation of dwelling and non-dwelling Revenue expenditure is detailed in Appendix A. The allocation has been changed to reflect structural changes within Building Services, with specific allocations between day-to-day building repairs and compliance activities.

4.3 The allocation includes a significant increase in the void budget due to the expected increase in void numbers generated from the new City Councils Housing Allocation Policy, an increase in funding for work associated with the remediation of damp and mould and an allocation to electrical inspections to accelerate the speed of transition to a 5-year electrical testing cycle.

4.4 The allocation also outlines non-dwelling revenue expenditure. This is for repair and compliance activities for non-dwelling assets that are held within the HRA but support the communities in which the housing stock is located, examples include community centres, adventure playgrounds and garage and parking sites.

#### **5. Capital Budgets - Various Schemes**

5.1 A total of £30,308,000 has been allocated to Capital Expenditure within the Major Repairs Allowance (MRA), an increase of 6.19% from the 2024/25 budget. The approved capital programme anticipated a carry forward of budget from 2024/25 of £3,700,000 and added in grant funding awards of £944,000 giving a budget of £34,952,000 (excluding leaseholder contributions). The grant funding has been

awarded from the Building Safety Fund, Waking Watch Remediation Fund, Cladding Safety Scheme and Nutrient Support Fund.

- 5.2 The allocation of Capital expenditure is detailed in Appendix B. Whilst the total planned Capital expenditure for 2025/26 is £41,000,000, which is in excess of the budget allocation, it is anticipated that a number of Building Safety projects (£1,504,000) and the Charles Dickens Heat Network project (£4,544,000) will receive in-year funding from central government.
- 5.3 Alongside a number of large projects with continued cross year spend, there are significant increases in budget allocations to key work areas including;
- an increase of the Building Safety allocation to £8m,
  - £1m allocated to undertaking Fire Risk Assessment actions
  - £5.6m allocated to work to improve the energy efficiency of properties and support decarbonisation
  - an increase to £2.5m for disabled adaptations to reduce timescales associated with requests for adaptation
- 5.4 There are new budget allocations for window, roof and boiler replacements to undertake proactive replacement of these elements linked to the oldest installation dates to support work to ensure dwellings meet the Decent Homes Standard and longer term to reduce revenue repair demands of these items.
- 5.5 A summary of the proposed capital expenditure on the HRA Assets (Non-Dwelling) capital scheme (including Housing IT capital investment) is shown in Appendix C for 2025/2026. Total expenditure of up to £677,000 is recommended. Funding will come from HRA Revenue Contributions (£610,000) and Corporate Resources (£67,000 contribution to the Adventure Playgrounds, Paulsgrove Community Centre and Splash Parks). Schemes include:
- Replacement of children's play equipment at six Adventure Playground sites
  - Retention & refurbishment of toilet & community space and partial demolition of the changing room block at Paulsgrove Community Centre
  - Replacement water pumps and relining of a number of splash pools

## **6. Summary of 2024/25 Expenditure**

### **6.1 Revenue Maintenance**

- 6.1.1 Within the Council Housing Maintenance and Improvements budget for 2024/25, £30.46m was allocated to revenue expenditure to undertake maintenance works including;
- Day to day response repairs
  - Servicing and compliance - including gas safety, electrical testing and fire risk assessments
  - Planned revenue works - external repairs and decoration to properties

- 6.1.2 For the financial year 2024/25 from 1st April 2024, 86,692 response repairs have been completed as of 7<sup>th</sup> February 2024.
- 6.1.3 Works have been completed to voids to allow 662 new tenancies to start. This number has reduced from 2023/24 due to a reduction in properties becoming void, however is anticipated to increase in 2025/26 due to the impact of the new City Councils Housing Allocation policy in support of work related to temporary accommodation.
- 6.1.4 Key compliance activities undertaken from 1st April 2024 to 7th February 2024 included;
- 12,905 Gas safety checks
  - 1,391 Electrical installation condition reports
  - 264 Fire Risk Assessments / Fire Risk Assessment reviews
  - 2,336 completed Fire Risk Assessment actions
- 6.1.5 Gross revenue expenditure for the financial year 2024/25 is forecast to overspend by £1.8m, however the net position is expected to be an £800k overspend due to the use of a budgeted £500k contingency and zero spend against the £500k planned revenue budget (see 9.3 for further details).

## **6.2 Capital Expenditure**

- 6.2.1 Within the Council Housing Maintenance and Improvements budget for 2024/25, a £30.57m programme of works was outlined against a budget contribution to the Major Repairs Allowance of £28.5m. Full expenditure of the programme would have resulted in a £2.07m draw from the Major Repairs Reserve utilising budget slippage from 2023/24.
- 6.2.2 This budget was allocated against the following areas;
- Response Capital £14.32m - for replacement of kitchens, bathrooms, heating, disabled adaptations
  - Building Capital Projects - £14.01m - capital planned maintenance schemes to undertake major improvements to the building fabric, fire safety, legislative areas
  - Engineering Capital Projects - £2.24m - capital planned maintenance schemes to undertake major improvements to engineering services including lighting improvements, electrical upgrades and lift replacement
- 6.2.3 As of 7<sup>th</sup> February 2024, the following Response Capital installations had been completed;
- 182 Kitchens
  - 292 Baths
  - 321 Over bath showers
  - 438 Boilers
  - 76 Disabled Facilities Grant (DFG) installations

6.2.4 As of 7<sup>th</sup> February 2024, 49 Building Capital Projects have been worked on, broken down as follows;

- 21 projects completed
- 10 projects on site
- 1 project at the tender or mobilisation stage
- 17 projects being evaluated

6.2.5 The total predicted capital spend for 2024/25 is forecast to be an underspend of £3.7m, of which £3.1m has been reallocated to Decarbonisation Fund works in 2025/26. This means that an in-year draw on reserves will not be necessary for 2024/25 with any additional underspend carried forward in the Major Repairs Reserve to support an increase to the Building Safety allocation in 2025/26.

6.2.6 The key reasons for the capital underspend are;

- An underspend in response capital, this has been due to a move to increase repairs to items such as kitchens and bathrooms were still serviceable rather than replacing them, to support increased allocation to Building Safety capital works.
- Project slippage on planned capital schemes. Due the scale of the projects and new timescales with the new Building Control process going through the Building Safety Regulator for high rise Building Safety works, this has created delay to projects starting on site. See section 8.12 for more detail.

## **7. Industry Forecast**

7.1 The Building Cost Information Service (BCIS) Quarterly Briefing for December 2024 indicates some positivity in the industry despite relatively slow economic growth, however there is less optimism in the market following cost increases exacerbated by future rises in employers National Insurance contributions.

7.2 The BCIS All-In Tender Price Index increased by 0.8% in 4Q2024, resulting in annual growth of 2.3% with tender prices forecast to rise by 19% by 4Q2029.

7.3 The main risk to the industry and cost present is around labour costs, whilst this was forecast to slow with annual growth to 4Q2024 reaching 5.3.%, increases in National Insurance and the National Living Wage are expected to significantly impact labour costs with a 2.5% rise expected in April 2025 compared to the previous month and a 19% increase forecast from 4Q2024 to 4Q2029. The BCIS notes continued risks around wage growth in relation to skill shortages that are prevalent in the market, with potential to impact projects and costs.

7.4 Material cost increases are predicted to increase by 1% to 4Q2024 with overall material costs forecast to increase by 15% from 4Q2024 to 4Q2029.

7.5 BCIS predict the overall output of work to reduce by 4.7% through 2024 however a return to growth is predicted in 2025.

7.6 Feedback from PCC Term Services Providers, is generally in line with the industry forecast. They report the main challenges will be seen through cost increases driven by wage increases from the National Insurance and National Living Wage increases. It is anticipated that the impact of this will see a pressure of around £750k on top of any budgeted increases.

## **8.0 Building Safety Remediation Programme**

8.1 Following the introduction of the Building Safety Act 2022, a Building Safety team has been established within Building Services that is responsible for the production of Building Safety Cases to the 22 blocks of flats within the scope of the Building Safety Act and more recently have taken on the management of fire safety across the HRA stock.

8.2 The preparation of Building Safety Cases has required extensive surveying and inspection of blocks of flats, with a requirement to undertake more invasive interrogation of the buildings than would have been previously required. Two examples of the building safety cases can be found in the housing cabinet reports for Sarah Robinson House – Hsg meeting July 2024 and Ladywood House – Hsg meeting Oct 2024. A result of the additional investigations has given rise to a number of actions to areas that previously fell outside of the scope of a Fire Risk Assessment (FRA).

8.3 Following completion of every FRA or Building Safety Case, a review of the actions arising is undertaken. Where practicable, actions are issued to relevant teams and progressed. Examples of these could be basic repairs undertaken by a PCC Service Provider, removal of items from a communal area by our Estates teams or engagement with residents by our Housing management team.

8.4 Where actions require more extensive work that are not practicable to be actioned immediately, consideration is given to where mitigation may be required to manage risk until such time as an action can be fully resolved. Actions would be prioritised based upon a number of factors such as the height of the block, type of use, number of escape stairs and type of actions raised.

8.5 Typical actions in this category would be for things such as fire door replacement to an entire block of flats, works to improve compartmentation or works to replace materials in the external wall construction. In each case, these actions would require a capital project to deliver the works and need careful planning and management to minimise disruption to residents and to ensure that works are undertaken to a high standard to meet legislative requirements.

8.6 Appendix D details a new Building Safety Remediation Programme. The programme outlines a plan of building safety remedial works for the 22 blocks of flats in the scope of the Building Safety Act and a further 13 mid-rise blocks where significant capital schemes have been identified.

- 8.7 Due to the scale of works the programme has been phased over a period of 7 years from 2024/25 through to 2031/32. The works identified for each building vary dependant upon the recommendations from Fire Risk Assessments and Building Safety Cases, however typically include;
- Fire door replacement
  - Compartmentation works
  - Works to replace materials in the external wall construction
- 8.8 For each building an assessment of the required works has been undertaken alongside a high-level estimate of the costs for each scheme. The overall programme is estimated to cost in the region of £110m with schemes ranging from around £500k to £6.5m per block of flats.
- 8.9 Funding for the works will primarily come from the Major Repairs Allowance with a drawn down at various points from the Major Repairs Reserve to manage cashflow over the life of the programme. As is detailed in this report it will be necessary to reduce revenue expenditure to allow significant increases in capital Building Safety funding.
- 8.10 Of the overall £110m, it is estimated that around £40m may be able to be sourced from Central Government funding schemes. Initial discussions and applications with funding schemes has been positive, therefore the programme has been established on the basis that this funding will be forthcoming. Should funding not be able to be secured, the programme would need to be reviewed and likely prolonged to spread expenditure over a longer period.
- 8.11 Whilst a high-level assessment of the works required and associated costs has been undertaken to form the programme, it will be necessary to undertake a detailed evaluation of each block to accurately specify the works. Within the programme, blocks of flats are linked to financial years, it should be noted that this provides an indication of when the evaluation of scheme will commence, not when works start on site.
- 8.12 The level of preparation for each scheme will vary, however, due to the Building Safety Act requiring Building Control applications to go directly through the Building Safety Regulator for high rise buildings, and a need to appoint contractors prior to the application process, we are seeing significant increases in the time needed to prepare schemes, with the majority taking a minimum of 1 year to prepare, prior to be issued for tender. This means that for the majority of schemes within the Building Safety Remediation programme, works on site will not commence until the following financial year.
- 8.13 It is envisaged that the programme will be regularly reviewed as new Fire Risk Assessments are undertaken and actions generated. In all cases as has been previously detailed, interim mitigation measures will be implemented where necessary and the actions prioritised based upon risk. Should blocks of flats outside the programme be identified with a higher risk priority actions, it may be necessary to re-phase the programme to accommodate blocks with higher priority actions. Due to



the constraints of the funding envelope, if additional blocks are required to be added into the programme this will result in prolongation of it.

- 8.14 As part of our existing reporting protocols, we are required to submit quarterly returns of a *Fire Safety Remediation Survey* to the Regulator of Social Housing. The return requires details to be provided of high and mid-rise blocks, details of where significant actions have been identified and details of timescales and costs of remediation. The approval of the Building Safety Remediation with support the survey returns increasing assurance through the provision of an approved, budgeted programme.

## **9. Future Budget Pressures and Mitigation Measures**

- 9.1 There are significant budget pressures present to both the HRA Revenue and Capital Budgets that will require both short- and longer-term measures to be implemented to manage the challenges posed.

- 9.2 There has been in-year management of pressures through 2024/25 to reduce response capital expenditure to allow an increased allocation to Building Safety Capital funding for 2025/26. This has resulted in a reduction in the number of capital replacement items such as kitchens and bathrooms however the replacement of boilers has been maintained at the previous year's level.

- 9.3 The revenue budget for 2024/25 has had a net overspend of £800k, this is the result of number of factors, including;

- Reduction in replacement of capital items that has led to more items being repaired
- Costs have increased related to the clearance of void properties at the end of tenancies
- Expenditure on damp and mould cases has increased as more robust remedial measures have been employed such as internally insulating walls or installation of positive pressure fans
- Significant expenditure continues to be undertaken on building elements that are nearing the end of their serviceable life and in need of longer-term replacement, such roofs and windows

- 9.4 The budget allocation for 2025/26 has been reviewed to support the management of pressures and ensure sufficient allocation of funding to meet demands.

- 9.5 With regards to the revenue budget, there are a number of factors that are placing significant pressure on this area for 2025/26, these include;

- Increase to National Insurance Contributions and National Living Wage increases, it is estimated this will result in additional costs of at least £750k
- It is anticipated that expenditure on damp and mould works will continue to increase, as more substantial measures are undertaken to address issues and issues are more proactively reported both by residents due to increased awareness and through increased stock condition surveys

- Acceleration of the undertaking of the Electrical Condition Inspection Reports to dwellings to 20% of the stock per year
- Potential for up to an additional 175 voids per year due to the new City Council's Housing Allocation policy

- 9.6 It is anticipated that there will be a £1m budget pressure on the HRA Revenue budget going into 2025/26 due to the factors outlined above. In 2024/25 a £500k contingency was included in the budget and £500k from the External Decoration, Repair and Improvement (Planned Revenue) budget was used to support the overspend in 2024/25. Due to need to increase budget allocations, particularly around electrical inspection, void works and damp and mould works, the level of contingency (£200k) and Planned Revenue allocation (£200k) has reduced for 2025/26 meaning that there will be less scope to manage any in-year overspends and increasing budgetary risk.
- 9.7 As was approved in the Housing Cabinet meeting of 19<sup>th</sup> February 2025, work is underway to review the repairs scope of service. This piece of work will look to retain our emphasis on undertaking 'the right repairs at the right time' whilst reviewing the day-to-day repairs service (in hours and out of hours) to better define a repairs standard so residents have a greater understanding of what items will be repaired, to what standard and within what timescales. A decision report relating to this work will be brought to the May 2025 Housing Cabinet meeting.
- 9.8 In addition to the scope of service review, work is being undertaken regarding medium to longer measures to support a reduction in revenue expenditure. The procurement of new repairs & maintenance and gas servicing & repair contracts, will support changes to the delivery and contractual models employed that is anticipated may generate financial efficiencies to allow re-investment in HRA stock when new contracts are implemented from April 2026.
- 9.9 Work is also ongoing to renew the current HRA Asset Management Strategy, this is priority piece of work for Building Services to be completed in 2025/26. The strategy will increasingly use data to better understand the stock and inform proactive management of it in terms of repairs, capital works, disposal and estate renewal to ensure the continued provision of good quality, safe homes whilst supporting the management of maintenance demands and associated budget pressures.
- 9.10 With regard to Capital, the main pressures relate to additional work demands generated through increased regulation through the introduction of the Building Safety Act 2022 and the Social Housing (Regulation) Act 2023. This has manifested itself through increased fire risk assessment actions, compliance works and works to improve the quality of homes to meet the Decent Homes standards. It should be noted that it is likely that a new Decent Homes standard will be introduced at some point in the near future, this will require us to appraise our position against any revised standard with the potential need to make further adjustments to spend.
- 9.11 All of the above demands are in addition to existing pressures borne from an aging housing stock that is reaching a peak in its maintenance cycle with major elements such as roofs and windows reaching the end of their serviceable life and requiring replacement in the medium term.

9.12 As described above work has been undertaken to reduce revenue expenditure to increase capital allocations, for the 2025/26 budget the allocation to capital has increased to 53% against 47% revenue. It is anticipated that the shift in allocation will need to go further to meet capital demands to achieve a 60% capital and 40% revenue allocation. Achieving this will only be possible through change to the scope of service, efficiencies borne through the procurement work and a long term plan arising from the Asset Management Strategy work.

9.13 Within the capital allocation, budgets have been set to support the meeting of key demands;

- The specific allocation to Building Safety work has been increased from £4.3m in 2024/25 to £8m in 2025/26, an increase of 86% percent with the overall allocation to works associated with Building Safety and Fire Risk Assessment actions increasing to £10m.
- There is investment of £5.6m related to Social Housing Decarbonisation Fund works to improve the energy efficiency of properties to a minimum EPC C rating
- Grant funding of £4.5m has been received through the Heat Network Efficiency Scheme to support works to upgrade the Charles Dickens Heat Network that provides heating and hot water to over 500 homes.
- There are new capital lines for window, roof and boiler replacement. This will see the start of a move to a more proactive approach to replacement of these elements, ensuring that the oldest installations or those with highest frequency of repair, or highest repair cost can be proactively replaced. This will support meeting of the Decent Homes Standard, improve dwellings for residents and longer term support the reduction of revenue of repair expenditure.

9.14 In summary, it is considered that the reprofiling of allocations to both revenue and capital expenditure are a significant step in working to address increased demands, regulatory compliance and support improvement works in response to the Regulatory Judgement from the Regulator of Social Housing, however, it is acknowledged that future measures will need to go further to ensure an economically viable HRA to met longer term maintenance demands.

## **10. Resident consultation and engagement**

10.1 As part of the work around the delivery model review of the repairs service (see *Repairs & Maintenance and Gas Repairs & Servicing Contracts - Delivery Model Review and Options Appraisal* report), extensive consultation has been undertaken with residents. This has included a series of workshops with the Resident Repairs Group and Residents Consortium as well as a wider questionnaire that was publicised in HouseTalk.

10.2 Part of the consultation focused on resident priorities for work in the context of increased demand within a limited funding envelope. The results of the consultation indicated that the highest priority for residents was the undertaking of fire safety works

alongside compliance works to ensure their safety and warmth within their home. Residents were clear they would prioritise this work over areas such as non-essential replacement of kitchens and bathrooms and non-urgent repairs.

- 10.3 The budget allocations detailed within this report generally align with the feedback and views of residents received and it is planned that the allocated of revenue and capital budgets will be presented at future meetings to both the Residents Consortium and Resident Repairs Working Group.
- 10.4 With regards to the delivery of projects detailed in the capital programme, in all cases project specific consultation and engagement will be undertaken with the residents (and members) of the blocks to ensure that they are fully informed of the works, understand them and have the opportunity to feedback. This engagement is utilised to where practicable ensure that methods of work are employed to minimise disruption and inconvenience for residents.
- 10.5 Where demand for a capital project is identified the PCC Project Manager will develop a suitable consultation and engagement strategy for the specific project tailored to resident and project needs.
- 10.6 Where works are likely to significantly impact residents' early engagement with them will be undertaken. This can be undertaken through a variety of methods including holding open day events, attending resident meetings, one to one engagement as well as communicating with letters and newsletters.
- 10.7 The purpose of the consultation and engagement is to take on board the views of residents regarding the proposed works, offer them choice around the works where appropriate and take on board feedback so that measures can be put in place to minimise the impact of the works on them.
- 10.8 Prior to works commencing the Project Manager and contractor will write to residents, providing details of the works and key contacts. Ongoing communication will be tailored to the needs of each project, and may include monthly newsletters, resident events or one to one consultation.
- 10.9 Upon completion of projects, further engagement is undertaken with residents to gather feedback on the project so that any learning can be taken on board to improve future schemes.

## **11. Integrated impact assessment (IIA)**

- 11.1 An integrated impact assessment is contained in appendix E.

## **12. Legal implications**

- 12.1 The council has a number of legal statutory obligations to maintain its properties to a safe standard of repair and undertakes maintenance of its property in accordance with various good practice guidance. The Building Safety Act 2022 brought into force

additional requirements for the council in terms of the management of building safety risks. The recommended budget allocations within this report will enable the council to meet its statutory obligations and ensure the health and safety of its residents.

12.2 It is within the Cabinet Member's powers under the council's constitution to approve the recommendations proposed.

**13. Director of Finance's comments**

13.1 The Housing Revenue Account budget for 2025/26 approved on 22nd January 2025, contained a revenue provision of £31.287m to fund the works set out in Appendix A.

13.2 Financial Rules Section B11 states that any approved scheme of any value can only commence following approval by the Section 151 officer of a full and proper financial appraisal, following consultation of the detailed scheme with the relevant Portfolio holder. The allocation of budgets to the schemes in Appendices B and C represent the recommended financial appraisal to be submitted for the Section 151 officer approval following this consultation.

13.3 The cost of the HRA Major Repairs Capital Programme will be met from the HRA ringfenced major repairs reserve, supplemented with leaseholder contributions and grant funding, as appropriate. A total of £30.308m has been allocated to Capital Expenditure within the Major Repairs Allowance. Whilst the total planned capital expenditure for 2024/25 in Appendix B totals £41.000m, this is in part funded through the anticipated carry forward of budget from 2024/25 of £3.700m and £6.992m of grant funding as detailed in sections 5.1 and 5.2.

13.4 The £677,000 cost of the HRA Assets (Non-Dwelling) capital programme will come from HRA Revenue Contributions (£610,000) and Corporate Resources (£67,000 contribution to the Adventure Playgrounds, Paulsgrove Community Centre and Splash Parks).

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

**Appendices:**

**Budget Plan 2024/25 - Appendices A-C**

Appendix A - Council House Maintenance and Improvements - HRA Dwellings Revenue Budget

Appendix B - Council House Maintenance and Improvements - HRA Dwellings Capital Programme

Appendix C - Council House Maintenance and Improvements - HRA Non-Dwellings Capital Programme

Appendix D - Building Safety Remediation Capital Programme

Appendix E - 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:

<b>Title of document</b>	<b>Location</b>
<i>Portsmouth City Council - Budget &amp; Council Tax 2024/25 &amp; Medium Term Budget Forecast 2025/26 to 2027/28</i>  25 <sup>th</sup> February 2024	<a href="#">Portsmouth City Council - Budget Council Tax 202526 Medium Term Budget Forecast 202627 to 2028.pdf</a>
<i>Council Housing Budget 2025/26 (including rent setting)</i>  22 <sup>nd</sup> January 2025	<a href="#">HRA Budget Report 2025-26 v.3 1.pdf</a>
<i>Interim Report on Progress of Council Housing Maintenance and Improvements Programme 2024/2025</i>  16 <sup>th</sup> October 2024	<a href="#">Interim report on Progress of Council Housing Maintenance and Improvements Programme 24-25.pdf</a>
<i>Building Safety Cases - Sarah Robinson House</i>  24 <sup>th</sup> July 2024	<a href="#">Sarah Robinson House - Building Safety Case Report.pdf</a>
<i>Building Safety Cases - Ladywood House</i>  16 <sup>th</sup> October 2024	<a href="#">Ladywood House - Building Safety Case Report.pdf</a>
<i>Housing Allocation Policy</i>  18 <sup>th</sup> September 2024	<a href="#">Report - allocations policy Sep 2024 1.pdf</a>
<i>Meeting the Housing Regulation Act and Housing Standards - update report</i>  18 <sup>th</sup> September 2024	<a href="#">Housing Charter Update Report 1.pdf</a>
<i>Self-referral to the Housing Regulator and Subsequent Regulatory Judgement</i>  19 <sup>th</sup> February 2025	<a href="#">Self-referral to the Housing Regulator.pdf</a>
<i>Building Safety Act - 2022</i>	<a href="#">Building Safety Act 2022</a>

<i>Housing Regulation Act – 2023 (live 1<sup>st</sup> April 2024) includes Awaabs Law - damp and mould</i>	<a href="#">Social Housing (Regulation) Act 2023</a>
<i>Repairs &amp; Maintenance and Gas Repairs &amp; Servicing Contracts - Delivery Model Review and Options Appraisal</i>  <i>19<sup>th</sup> February 2025</i>	<a href="#">RM Delivery Model Review Report 2.pdf</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by the Cabinet member for Housing and Preventing Homelessness on 12<sup>th</sup> March 2025.

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Signed by: **Councillor Darren Sanders - Cabinet Member for Housing and Tackling Homelessness.**