

Summary of Alternative Options

Appendix B

Option	Benefits	Disadvantages / Reasons for not recommending
Do nothing (i.e. do not approve any additional expenditure)	No further costs to the HRA – Council lives within existing approved budget	<p>No budget available for remedial work on damp and mould – likely safety risk for tenants and reputational risk for the Council</p> <p>Lack of strategic management of the service as no interim cover for vacant Assistant Director – Housing, Health and Communities post, and loss of corporate knowledge due to lack of handover time from current Interim Director of Housing</p> <p>Without investment in contract management, there is a risk that the Council’s limited HRA resources will not be effectively prioritised and/or value for money will not be achieved, with a risk that the issues which led to the Council to self-refer to the Regulator of Social Housing may reoccur in the future.</p> <p>The Housing Regulator may well introduce sanctions which could include taking over the running of the HRA.</p>
Approve additional budget for most urgent items only (i.e. damp and mould and Interim Director of Housing)	Reduced cost to the HRA (c. £535k instead of £1m)	<p>Without investment in contract management, there is a risk that the Council’s limited HRA resources will not be effectively prioritised and/or value for money will not be achieved, with a risk that the issues which led to the Council to self-refer to the Regulator of Social Housing may reoccur in the future.</p> <p>No contingency for other issues which may still arise through completion of the Action Plan, stock condition survey, and other service review work which remains underway. Strong likelihood that further requests to spend will be required in the future should such issues arise.</p>
Put additional expenditure on hold until alternative revenue savings can be identified within the HRA to fund it	No further costs to the HRA – Council lives within existing approved budget	Whilst the Council has committed to reviewing the HRA budget in detail during 2023/24, there is no realistic prospect of identifying the level of savings required from revenue budgets before the start of the financial year. Expenditure would therefore need to be delayed, perhaps significantly, which again poses a potential safety risk to tenants and reputational risk to the Council.

Option	Benefits	Disadvantages / Reasons for not recommending
Reduce the HRA capital programme by £1 million in 2023/24 in order to finance the additional expenditure needed	Retains the £1 million of unrestricted capital receipts for future use in the long-term	The HRA capital programme has already been significantly reduced for 2023/24 as a result of constrained resources. There are realistically only two capital projects where the required reduction in spend could occur, namely Woodlands and Walden Place. Both projects are already under contract and construction has commenced – therefore to cancel or delay either project at this stage is likely to lead to additional and/or abortive costs, not to mention the impact in terms of a reduction or delay to the Council’s planned housing stock levels.
Approve additional expenditure without the corresponding change in capital financing approach	Retains the £1 million of unrestricted capital receipts for future use in the long-term	This would threaten the short-term financial viability of the HRA and is not therefore deemed a prudent course of action.