

TITLE OF REPORT: East Street Flats – HRA Asset Management Investment Options Appraisal

REPORT OF: Kevin Scarlett, Interim Strategic Director, Housing, Environment and Healthy Communities

Purpose of the Report

1. To update the Cabinet on the HRA Asset Management Investment Options for East Street Flats, in line with the HRA Asset Management Strategy.
2. To seek Cabinet approval for the future decommissioning of East Street Flats and the development of a Strategic Regeneration Plan as part of the work to support a statutorily compliant business plan able to fund a compliant, well maintained and sustainable housing stock.

Background

3. On 20th February 2024, Cabinet considered a report on Energy Improvement Works at East Street Flats in the Town Centre. It resolved to progress with the design work to develop out proposals for this project.
4. East Street Flats are located in the Town Centre and comprise of three blocks, Park, Peareth & Priory Courts. Across the three blocks, there are 120 flats, comprising of bedsits, one-, two- and three-bedroom flats.
5. The blocks were constructed during the 1950's and are a non-fines concrete construction type. The block structure remains substantially 'as built' with little insulation.
6. During Decent Homes investment, the blocks received around £1.7m investment, that predominantly involved internal works. Externally, the communal walkway windows were replaced with Upvc double glazing. The fabric of the buildings has remained mainly untouched.
7. In 2018/19, the communal boiler that serviced the three blocks was replaced by a connection to the Town Centre Heat Network and the original communal boiler was decommissioned.

8. Following on from this, work commenced on pre-construction feasibility and surveying work to develop an investment package that would renew the blocks heat network from the boiler house and introduce Heat Interface Units (HIU's) so residents could control their heating. It also included proposals to externally insulate the blocks and to renew the timber windows to the flats. Stock conditions surveys were also undertaken to assess the internal condition of the blocks and the flats to establish what decent homes and general capital investment was required.
9. In Autumn 2023, SCAPE, the public sector framework provider, was approached to explore the next stage in the schemes development. From that exercise the construction company KIER started to work with the Council to develop the scheme and produce a proposal that would take the works to the construction phase.
10. During the development work it was decided that, due to the initial projected scheme costs, the Council would progress the heat element of the scheme development with the Gateshead Energy Company and KIER would continue to develop the design of the fabric elements of the work at a forecast cost of £345,145. A report was taken to Cabinet in February 2024 to seek approval for this proposal.
11. Following the cabinet approval, work continued with KIER to develop a cost model for the proposed work up to the RIBA Stage 4, the stage prior to construction work commencing. As that work continued, the forecast development cost increased from £345,145 to £744,000. As the cost of the development work had doubled, it was agreed to pause the work with KIER and undertake the viability modelling based on the figures they had already provided.

Scheme Evaluation

12. Cabinet agreed a new HRA Asset Management Strategy on the 19 October 2021. The report detailed the steps that needed to be taken over the next 5 years to maintain a 30 year business plan that is informed, affordable and fully funded.
13. The Asset Management Strategy introduced a requirement for large HRA capital investment schemes to be assessed to ensure that the proposed investment is viable, value for money and supports the maintaining of a statutorily compliant HRA and business plan.
14. To review the proposed scheme at East Street flats, the intended work and the associated costs have been reviewed alongside other known future

expenditure. The wider performance of the building has also been reviewed as part of the HRA viability model.

15. To develop the proposals for the blocks, the costs for the potential works were analysed. This included all required capital investment needs over the periods 1-5 years, 1-10 years and 1-30 years, the length of the HRA Business Plan. These included requirements related to insulation, heating, Decent Homes and Compliance.
16. This information was then assessed alongside other organisational information on how the building performs as a Housing Revenue Account asset. This information includes Repairs and Maintenance information, Void performance, Cyclical repair cost and housing property demand levels, which were forecast over the 30 years of the Housing Revenue Account Business Plan.
17. A RAG (Red / Amber / Green) rating was then applied to represent the performance, where Green is best performing and Red lowest.
18. From a repairs and maintenance perspective, the three blocks are not an outlier for repair volume or cost and perform as Green rated assets.
19. Void performance is lower than average for the stock and is rated as Red. This means that properties in the block commonly require a greater amount of void work to bring them back in to a ready for let status.
20. The amount of rent lost to void properties is rated amber. This means that properties in the blocks are commonly empty for a longer period of time resulting in lost income to the HRA.
21. The cost of undertaking Cyclical Maintenance functions are also Red for the blocks. However, this is consistent with other blocks due to the higher compliance requirements associated with multi storey living and complex building services.
22. Housing property demand is rated as Red. The lettings team have confirmed that the blocks have historically been some of the more popular multi-storey's in the borough, but more recently the two and three bed flats have become difficult to let and now attract very few bids. The three blocks are now banded as low to very low demand, with 1 bed flats graded slightly better than the 2 and 3 bed variants. There are currently seven voids in the block with the longest voids having been empty since August 2023.

23. While demand for the blocks has fallen, the residents retain a strong sense of community, identity and social cohesion. There is active resident engagement and interest in the blocks position and role within the wider town centre community.
24. The capital investment requirements of the blocks is banded as Red and is an outlier in the stock. To assess the required works, a cost model was developed that drew in known future capital costs as well as the forecast cost for the insulation and heat network improvements.
25. The cost model included elements such as:

Fabric improvements	Window renewal	Roof replacement	Domestic Heating	Heating infrastructure
Kitchen replacements	New bathrooms	Domestic re-wiring	Communal wiring & compliance	Soil stack renewal
Ventilation upgrades	Refuse chutes replacement	Fire door upgrades	Communal refurbishment	Upgrading of communal doors, inc main entrance
Lift renewal	Plant room maintenance	Digital Transformation work	Flooring renewal	Access costs and enabling works

26. These costs were profiled over differing time periods; this included essential works in the next 5 years and essential work over the next 30 years, the length of the business planning cycle.
27. Based on today's cost and without applying inflation, the essential work to the blocks in the next 5 years is forecast at £15m equating to £124,801 per property. Over the course of the 30 years of the business plan this rises to £26.8m and investment needs figure of £223,280 per flat.
28. The costs have been forecast based on surveying, benchmarking of costs and the most up to date information that is available. However, there remain unknowns and alongside construction sector inflation and demand pressures there is a risk this cost could increase further.
29. The Council did secure £0.75m funding to support the delivery of the heat network improvements and a third round of Social Housing Decarbonisation Funding (SHDF) was due to launch later this year, the status of the scheme will now not be known until after the General Election in July. Assuming a potentially successful SHDF bid, alongside the already secured funding, this

would likely provide grant funding of between £13,750 and £16,250 per property. The HRA would need to fund the remainder.

30. Based on these forecasts the blocks Net Present Value, the rental income of the blocks less all the forecast costs to maintain and run them, would be negative. This means that the overall costs for the three blocks exceeds the rental income that they generate.
31. The overall performance, taking account of all the business information metrics, is Red. This means that the combined performance of the blocks is poor and the assets may not be sustainable over the 30 years of the business plan.

Proposals

32. The investment work could be undertaken and the blocks retained as operational assets. This would mean that the HRA would be subsidising the blocks and would be, based on current assumptions, unable to recover its costs over the 30 years of the HRA business plan. The issues with low demand would complicate this scenario as longer void periods and increased void property numbers will further reduce rental income.
33. Deliver a reduced package of works. Whilst this option would reduce the amount of capital expenditure it would introduce other operational risks. This would have implications on compliance and regulatory requirements like the Decent Homes Standard and building safety. Delaying or postponing works would also introduce additional business risks in the medium term. Repair and maintenance costs will increase if elements are not replaced, placing additional pressure on the HRA. There is also an increased risk of needing to decant or temporarily rehouse residents due to the failure of complex building services, like drainage or lifts.
34. Reconfigure the building to increase the number of smaller higher demand 1 bed properties. While reconfiguration of the blocks is potentially possible, the work would require significant alteration to the superstructure. This would, if feasible, be extremely expensive and would significantly increase scheme costs. Any newly created units would, after the construction costs and residential impacts like Home-loss payments, not improve the overall block performance.
35. Develop a Strategic Regeneration Plan to develop 100 new HRA units within the town centre boundary. Creating a new housing offer to rehouse the East Street Flats residents to, maintaining their community. Then decommission the Park, Peareth and Priory Court blocks.

36. The forecast investment costs per existing flat are comparable with the re-provision of a new housing unit, for example a 2 bed property at the recently completed Whitley Court Site in Wrekenton. Commonly multi storey accommodation does not meet the aspirations of customers for modern living. New units would support long term HRA sustainability and help stimulate the regeneration of the Town Centre and High Street South.

37. The development of 100 new HRA units would be a significant stimulus for the development of the High Street South area and increase developer interest. The proposal would require some short-term investment into the East Street Flats to ensure that residents homes remain compliant while development opportunities are developed and delivered.

Consultation

38. As part of the preparation of the report 5 consultation sessions were held with the residents of the blocks on 26 June 2024. Almost 20% of the residents attended one or more of the sessions.

39. The sessions covered the current position with regards to investment in the blocks and the proposals that have been developed as part of this report.

40. Residents understood and appreciated the business and financial decisions that the Council faces when considering investment in the blocks and the proposals that flow from that. But, they were very clear across all the sessions that they wanted accurate and timely communications throughout the next stages of the project.

Recommendations

41. It is recommended that Cabinet:

- i) Approve the creation of a Strategic Regeneration Plan, developed by the Housing, Environment & Healthy Communities and Economy, Innovation and Growth strategic groups to create 100 new HRA homes within the boundary of the Town Centre and High Street South site. With priority within the Housing Register for the East Street Flats residents.
- ii) Approve the future decommissioning of Park, Peareth & Priory Courts. With these buildings being deemed surplus to the Council's requirements and disposed of once residents are rehoused.

- iii) Approve the development of a schedule of works that will maintain the blocks in a compliant and effective way while the options for new housing provision are developed.
- iv) Approve the development of a building management plan to cover the housing management arrangements for the blocks in the interim period.
- v) Approve the creation of a resident engagement process to ensure that the community within East Street Flats are key stakeholders in the project and are involved in shaping the reprovion offer. Along the extending of the HRA Estate Regeneration Officer post to March 2028 to support residents.
- vi) Authorise the Director of Housing, Environment and Healthy Communities to commence negotiations to acquire the two residential leasehold properties and develop a suitable compensation package. Should negotiations not be successful to compulsorily acquire the properties using compulsory purchase powers as a last resort.

Agree to receive regular project updates.

For the following reasons:

- a) To set a Housing Revenue Account that is not in debit as require under the Local Government and Housing Act 1989 (Part VI) and is able to meet it short- and long-term investment requirements.
- b) To realise the Council's policies and objectives in relation to the Housing Strategy in order to maintain and enhance Council Housing provision in Gateshead.
- c) To assist in the delivery of the Council's vision for Gateshead as set out in Making Gateshead a Place where Everyone Thrives.

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Appendix 1

Policy Context

1. The proposals support the overall vision for Gateshead as set out in Making Gateshead a Place Where Everyone Thrives including achieving the following outcomes: providing good quality housing with a mix of tenures and affordable options that meet the needs of local people including families and older people enabling them to live healthy lives and to make healthy choices, preventing ill health.
2. The Housing Strategy 2019-2030 identifies clear housing objectives and priorities, puts forward a vision for housing in Gateshead, and sets a framework for how the Council will deliver services and interventions, and work in partnership with others, in a way that will help achieve those objectives using increasingly scarce resources proportionately and effectively. It includes three overarching strategic objectives:
 - Sustainable housing and economic growth
 - Sustainable neighbourhoods
 - Improved health & wellbeing
3. In addition to these overarching objectives one of the key themes embedded in the strategy is supporting the long-term sustainability of the Council's housing stock and the Housing Revenue Account (HRA). Sustainability must be driven by a robust asset management strategy that is supported by informed accurate data and property performance information.

Background

4. East Street Flats are located in the Town Centre and comprise of three blocks, Park, Peareth & Priory Courts. Across the three blocks there are 120 flats comprising of bedsits, one-, two- and three-bedroom flats.
5. The blocks were constructed during the 1950's and are a non-fines concrete construction type. The block structure remains substantially 'as built' with little insulation.

	Count of Asset Type
0BED FLA	3
1BED FLA	18
2BED FLA	81
3BED FLA	18
Grand Total	120

6. Decent Homes investment in the blocks was delivered in the mid-2000's and included around £1.7m investment. This work predominantly involved

internal works to kitchens, bathrooms and domestic wiring. Externally the communal walkway windows were replaced with Upvc double glazing, but the flat windows were not renewed. The fabric of the buildings has remained mainly untouched.

7. In 2018/19 the communal boiler that serviced the three blocks was replaced by a connection to the Town Centre Heat Network and the original communal boiler was decommissioned.
8. Following on from this, work commenced on pre-construction feasibility and surveying work to develop an investment package that would renew the blocks heat network from the boiler house and introduce Heat Interface Units (HIU's) so residents could control their heating.
9. It also included proposals to externally insulate the blocks and to renew the timber windows to the flats. Stock conditions surveys were also undertaken to assess the internal condition of the blocks and the flats to establish what decent homes and general capital investment was required.
10. Surveying work, feasibility assessments and structural surveying was undertaken between 2021 and 2023. This included initial design work, ground surveying works, ecology assessments and detailed surveying and assessment of the building structural condition.
11. Two structural surveys were undertaken on the blocks. The first on the façade and external concrete face of the building. The second examined the internal super-structure of the building and the slabs that form the individual floors.
12. The structural surveys identified remedial works in keeping with the age and construction of the blocks. But, detailed robustness surveying confirmed that physically the buildings have a remaining life of at least 30 years, comparable with the HRA business planning cycle.
13. In Autumn 2023 SCAPE, the public sector framework provider, was approached to explore the next stage in the schemes development. Due to the complex nature of the work and the specialisms involved the scheme was not suitable for self-delivery through Construction Services.
14. From the exercise with SCAPE the construction company KIER started to work with the Council to develop the scheme and produce a proposal that would take the works to the construction phase. KIER, jointly with the Council undertook additional surveying and design work with specialist contractors to develop RIBA stage one design and cost information.

15. During the development work it was decided that, due to the initial projected scheme costs, the Council would progress the heat element of the scheme development with the Gateshead Energy Company and KIER would continue to develop the design of the fabric elements of the work at a forecast cost of £345,145. A report was taken to Cabinet in February 2024 to seek approval for this proposal to progress with this award.
16. Following the cabinet approval, work continued with KIER to develop a cost model for the proposed work up to the RIBA Stage four, the stage prior to construction work commencing. As that work continued, the forecast development cost increased from £345,145 to £744,000. As the cost of the development work had doubled it was agreed to pause the work with KIER and undertake the viability modelling based on the figures they had already provided.
17. The expenditure to end the 2023/24 financial year, on design feasibility, was limited to £94k. This was for heating design work and fees, and no further design work on fabric measures was commenced.
18. To develop the proposals for the blocks, the costs for the potential works were analysed. This included all required capital investment needs over the periods 1-5 years, 1-10 years and 1-30 years, the length of the HRA Business Plan. These included requirements related to insulation, heating, Decent Homes, Compliance and Building Safety.

Evaluation and assessment

19. Cabinet agreed the new housing asset strategy for 2022/27 in October 2021. It detailed the steps that needed to be taken to maintain an affordable and sustainable Housing Revenue Account.
20. The asset management strategy introduced a requirement for large HRA capital investment schemes to be assessed to ensure that the proposed investment is being delivered to viable assets that are sustainable over the 30 years of the Business Plan. Investment in the stock must represent value for money and support the maintaining of a statutorily compliant HRA and business plan.
21. To review the proposed scheme at East Street flats the intended work and the associated costs have been reviewed alongside other known future expenditure. The wider performance of the building has also been reviewed as part of the HRA viability model.
22. The forecasted cost for improving the block has been assessed alongside other organisational information on how the building performs as a Housing Revenue Account asset.

23. This business information, forecast over the 30 years of the business plan includes;
- a. Repairs and Maintenance performance and cost information,
 - b. Void performance – the length of time properties are void and the financial implications associated with vacancies,
 - c. Cyclical repair cost – the costs associated with maintaining building services and elements related to building safety.
 - d. Housing property demand levels.
 - e. Overall financial performance
24. A RAG (Red / Amber / Green) rating was then applied to represent the performance, where Green is best performing and Red lowest.
25. From a repairs and maintenance perspective the three blocks are not an outlier for repair volume or cost and perform as Green rated assets.
26. Void performance is lower than average for the stock and is rated as Red. This means that properties in the block commonly require a greater amount of void work to bring them back in to a ready for let status.
27. The amount of rent lost to void properties is rated amber. This means that properties in the blocks are commonly empty for a longer period of time resulting in lost income to the HRA.
28. The cost of undertaking Cyclical Maintenance functions are also Red for the blocks. However, this is consistent with other blocks due to the higher compliance requirements associated with multi storey living and complex building services.
29. Housing property demand is rated as Red. The lettings team have confirmed that the blocks have historically been some of the more popular multi-storey's in the borough, but more recently the two and three bed flats have become difficult to let and now attract very few bids.
30. The three blocks are now banded as low to very low demand with 1 bed flats graded slightly better than the 2 and 3 bed variants. There are currently seven voids in the block.
31. While demand for the blocks has fallen, the residents retain a strong sense of community, identity and social cohesion. There is active resident engagement and interest in the blocks position and role within the wider town centre community.
32. The capital investment requirements of the blocks is banded as Red and is an outlier in the stock. To assess the required works, a cost model was developed that drew in known future capital costs as well as the forecast cost for the insulation and heat network improvements.

33. The cost model included elements such as;

- a. Fabric improvements to thermally insulate the blocks.
- b. Window renewal with double glazed Upvc units
- c. Roof replacement with a new insulated roof covering
- d. Domestic heating infrastructure replacement with new insulated and efficient pipework
- e. Decent Homes improvements including –
 - i. Kitchen replacements,
 - ii. New bathrooms,
 - iii. Domestic re-wiring.
- f. Communal wiring & building management system upgrades.
- g. Waste soil stack renewal.
- h. Ventilation upgrades to bathrooms and kitchens.
- i. Refuse chutes replacement.
- j. Fire doors upgrades.
- k. Communal refurbishment including flooring.
- l. Upgrading of communal doors, including the main entrance.
- m. Lift renewal.
- n. Plant room maintenance.
- o. Digital Transformation work.
- p. Access costs and enabling works.

34. These costs were profiled over differing time periods, this included essential works in the next 5 years and essential work over the next 30 years, the length of the business planning cycle.

35. Based on today's cost and without applying inflation the essential work to the blocks in the next 5 years is forecast at £15m equating to £124,801 per property.

36. Over the course of the 30 years of the business plan this rises to £26.8m and investment needs figure of £223,280 per flat.

37. The costs have been forecast based on surveying, benchmarking of costs and the most up to date information that is available. However, there remain unknowns and alongside construction sector inflation and demand pressures there is a risk this cost could increase further.

38. The Council did secure £0.75m funding to support the delivery of the heat network improvements at East Street Flats. A proposed bid was also planned to the third round of Social Housing Decarbonisation Funding (SHDF). It was due to launch later in summer 2024. However, the status of the scheme will now not be known until after the General Election in July. Assuming a potentially successful SHDF bid, alongside the already secured funding, this would likely provide grant funding of between £13,750 and £16,250 per property. The HRA would need to fund the remainder.

39. Based on these forecasts the blocks Net Present Value, the rental income and service charges from the blocks less all the forecast costs to maintain and run them, would be negative. This means that the overall costs for the three blocks over 30 years exceeds the rental income that they generate.
40. The overall performance, taking account of all the business information metrics, is Red. This means that the combined performance of the blocks is poor and the assets may not be sustainable over the 30 years of the business plan.

Proposals and options

41. The investment work could be undertaken, and the blocks retained as operational domestic assets.
42. Based on current assumptions and the modelling that has been done, with this option the HRA would be unable to recover its costs over the 30 years of the business plan. The issues with low demand would complicate this scenario as longer void periods and increased void property numbers will further reduce rental income. Adopting this approach would mean that the HRA would be subsidising the blocks.
43. Deliver a reduced package of works. Whilst this option would reduce the amount of capital expenditure it would introduce other operational risks. This would have implications on compliance and regulatory requirements like the Decent Homes Standard and building safety. Delaying or postponing works would also introduce additional business risks in the medium term. Repair and maintenance costs will increase if elements are not replaced, placing additional pressure on the HRA. There is also an increased risk of needing to decant or temporarily rehouse residents due to the failure of complex building services, like drainage or lifts.
44. Reconfigure the building to increase the number of smaller higher demand 1 bed properties. While reconfiguration of the blocks is potentially possible, the work would require significant alteration to the superstructure. This would, if feasible, be extremely expensive and would significantly increase scheme costs. Any newly created units would, after the construction costs and residential impacts like Home-loss payments, not improve the overall block performance.
45. Develop a Strategic Regeneration Plan to develop 100 new HRA units within the town centre boundary. Creating a new housing offer to rehouse the East Street Flats residents to, maintaining their community. Then decommission the Park, Peareth and Priory Court blocks.

46. The forecast investment costs per existing flat are comparable with the re-provision of a new housing unit, for example a 2 bed property at the recently completed Whitley Court Site in Wrekenton. Commonly multi storey accommodation does not meet the aspirations of customers for modern living. New units would support long term HRA sustainability and help stimulate the regeneration of the Town Centre and High Street South.
47. The development of 100 new HRA units would be a significant stimulus for the development of the High Street South area and increase developer interest. The proposal would require some short-term investment into the East Street Flats to ensure that residents homes remain compliant while development opportunities are developed and delivered.
48. The most appropriate option is the future decommissioning of Park Court, Peareth Court and Priory Court once an alternative social housing offer has been developed in or around the boundaries of the town centre and High Street South.
49. To support the delivery of this option the following frameworks will need to be developed.
50. The creation of a Strategic Regeneration Plan, developed by the Housing, Environment & Healthy Communities and Economy, Innovation and Growth strategic groups. The plan will consider development opportunities, develop key milestones and timelines for delivery as well as engaging with and involving Ward Members and residents.
51. The Service Directors of Property & Assets and Construction Services will jointly, with the Ward Members, develop a schedule of works that will maintain the blocks in a compliant and effective way while a new housing provision is developed. This plan will be clearly communicated to residents and kept under review with them throughout the project.
52. A building management plan will be developed with the Strategic Director Neighbourhoods and Locality to agree how the blocks will be managed in the interim. The plan will cover the housing management arrangements for the blocks in the interim period and how current and new void properties will be managed, ensuring resident's safety, security and quiet enjoyment of their home.
53. A residents engagement strategy will be developed that will keep residents informed and engaged through every step of the project. Clear accessible and timely communications will be developed and supported with regular in person meetings. Residents will be provided with officers details and key

contacts so that they can access information and raise queries with confidence that they will be supported.

54. The Council currently has a dedicated Estate Regeneration Officer assigned to the decommissioning projects that are currently ongoing in Redheugh, Eslington and Warwick Courts. This post was created to support customers through the decommissioning process and act as a coordination role for the project. This position will be extended to March 2028 so that the skills and expertise gained during the work on previous decommissions schemes can be transferred and used to support the residents in East Street Flats.

Consultation

55. Consultation has taken place with the Leader, Cabinet Member for Housing and Ward Members.

56. A series of drop-in sessions have been held with the residents. On the 26 June three independent block drop-in sessions were held alongside two general ones. Twenty one residents attended alongside two residential caretakers. This represented 20% of the occupied flats taking part in one or more of the sessions.

57. There was a mixture of feedback from residents, the general themes from the sessions were,

- a. residents understood and appreciated the business decisions that underpin the recommendations,
- b. there was real interest in the prospect of re-provision of new units, but also a lot of questions about how that would be delivered,
- c. there was a lack of trust and doubt that the Council can and would deliver proposals on re-provision,
- d. residents expressed a desire for a letter following Cabinet to confirm the decision and detail the next steps.
- e. that accurate and timely communications were essential to customers feeling engaged and valued.

58. Additional drop-in sessions have been offered and officer contact details provided for residents who could not attend the sessions or have additional questions or queries.

Alternative Options

59. There are no alternative options proposed.

Implications of Recommended Option

60. Resources

- a. **Financial Implications** – The Strategic Director, Resources and Digital, confirms that the proposals are costed and funded within the HRA business plan and help support the delivery of a sustainable HRA able to meet its priorities.
 - b. **Human Resources Implications** – There are staffing implications associated with the report. There are three residential caretakers assigned to the blocks. While there will be no imminent changes to services, work will be undertaken with the affected officers and their union representatives around the implications of this report and the wider review of residential caretaking services.
 - c. **Property Implications** – Negotiations to acquire the two residential leasehold properties will need to commence at an appropriate time and a suitable compensation package developed. Should negotiations not be successful it will be necessary to seek to compulsorily acquire the properties using compulsory purchase powers as a last resort.
61. **Risk Management Implications** - The proposals in the report have been developed to mitigate the risks associated with not maintaining a sustainable and affordable Housing Revenue Account. A risk management plan will be developed for the decommissioning project to protect residents and mitigate risk.
62. **Equality and Diversity Implications** – An Integrated Impact Assessment has been completed for the proposals and is available upon request.
63. **Crime and Disorder Implications** – Effective property and building management, condition and repair contribute positively towards community safety.
64. **Health Implications** – The report supports work that ensures the quality and condition of the HRA's assets and will contribute to the health and wellbeing of the tenants and residents.
65. **Sustainability and Climate Emergency Implications** – The report supports the delivery of a sustainable and affordable Housing Revenue

Account that is able to meet the challenges associated with reaching Net Zero Carbon.

- 66. **Human Rights Implications** – No direct human rights implications.
- 67. **Area and Ward Implications** – The report has implications for the Bridges Wards.

Background Information

Direction on the Rent Standard 2019

The Housing Revenue Account Self Financing Determinations February 2012

Local Government and Housing Act 1989

Localism Act 2011