

LIBERAL DEMOCRAT AMENDMENT TO HRA BUDGET-SETTING REPORT (BSR) 2025/26

To:

Full Council 24 February 2025

Report by:

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Wards affected:

All

1. Recommendations

- 1.1 The Liberal Democrat Group, having considered the Housing Revenue Account (HRA) Budget Setting Report (BSR), are proposing the following amendments for consideration and decision at Full Council:

One-off Revenue Proposals

i) Asset Management Officer

It is proposed to recruit a dedicated Asset Management Officer for 5 years to assist with catch-up of the decent homes backlog. The post would help address ongoing issues with access to properties and, in particular, focus on overdue replacement of boilers and central heating systems without which homes may be vulnerable to the development of damp, condensation and mould. This post would include a flexible contract, with some working later on weekdays or Saturday mornings to allow tenants more options to make contact out of working hours.

Cost of proposal: £43,000 per year for five years

ii) Damp, Condensation and Mould Management

This amendment proposes one-off project funding for an external review of damp,

condensation and mould (DCM) management, to ensure adherence to best practice. The work would encompass current reporting systems, surveying, and commissioning of required works, and would ensure that the council is ready for implementation of Awaab's Law in October 2025.

Cost of proposal: One-off cost of £30,000 in 2025/26.

Capital Proposal

iii) Affordable Redevelopment at Stanton House

This amendment seeks to allocate a total of £9.8 million from the 10 Year New Homes Programme (Unallocated) budget in the capital plan to fund a 100% affordable redevelopment of Stanton House, a council site which was until recently focussed on the provision of supported accommodation, with a view to bringing a report to the meeting of the Housing Scrutiny Committee on 11 March 2025.

Since this is a reallocation of capital funding, with no change to the underlying sources of finance, there is no net impact upon HRA finances.

iv) Reduction of 10 Year New Homes Programme Funding

To fund the revenue proposals set out at i) and ii) above, this amendment seeks to reduce the capital budget for the 10 Year New Homes Programme (Unallocated) by £73,000 in 2025/26 and £43,000 in each of the subsequent 4 years. This will allow a corresponding reduction in the revenue contribution to capital financing.

It should be noted that, whilst this capital budget is termed 'Unallocated' on the basis that schemes have not yet been brought forward for formal approval, there is an assumed provisional pipeline of schemes behind this budget, and reducing the budget in this way may impact the total number and mix of housing which can be delivered.

Saving: £73,000 in 2025/26, followed by £43,000 per year for the subsequent 4 years

2. Purpose and reason for the report

- 2.1 This report sets out amendments proposed by the Liberal Democrat Group to the HRA Budget-Setting Report (BSR) 2025/26, presented for decision to Full Council on 24 February 2025.

This report outlines the amendments proposed and the net impact on the HRA, assuming all of the amendments are carried.

3. Alternative options considered

- 3.1 Under the constitution, amendments to the Executive's Budget recommendations may be submitted by Opposition Groups or any Member.

4. Background and key issues

4.1 Statement by the Liberal Democrat Housing Spokesperson

A fundamental duty of this Council is to provide safe, secure, and high-quality homes for its tenants and those on the housing needs register. Yet, in recent years, we have seen a disturbing trend: a failure to respond adequately to tenant concerns, coupled with a shift in development strategy that is undermining the provision of social and affordable housing.

Current residents are clear that the Council's performance is not acceptable: overall tenant satisfaction remains at a stubbornly low 67%, with a particular driver noted as a feeling that homes are not well-maintained. This is not surprising given that the Council's current performance on emergency repairs, the most urgent jobs, sits in the bottom quartile with reference to comparators. This is mirrored in the ever-worsening state of voids returned, driving a subsequent loss of rent. For damp, condensation and mould (DCM) too, the Council languishes in the bottom quartile of performers. Despite repeated assurances from the ruling group that DCM is only a seasonal issue and will

surely improve next year, the cases numbers continue to rise year-on-year. Discrepancies in figures regarding cases and repairs of DCM presented to committee have recently been revealed to stem from an apparent **loss of nearly 300 emails** from tenants reporting damp and mould in their homes. This is not just a clerical error—it is a symptom of a broader issue where the voices of those in need are too often ignored. The Liberal Democrats are supportive of an ambitious council house building programme and we sincerely hope that the Labour government will provide the grants that this Council requires to fulfil its business plan. The reality, however, is that the Council's property portfolio is smaller this year than last and that no new developments have started on site in this financial year. At the same time, the Council's move to a "portfolio approach" to council home development is leading to a reduction in the proportion of truly affordable and social housing being built even on land owned by the Council: we believe such developments must be prioritised and expedited.

This budget amendment seeks to address these failings and reaffirm our commitment to tenants who rely on us.

Capital Investment: Prioritising Affordable Housing

The redevelopment of Stanton House represents a crucial opportunity to deliver 100% affordable housing on a Council-owned site that was previously focused on supported accommodation. While the HRA's shift to a portfolio approach threatens the prioritisation of social housing, certain sites—such as Stanton House—must continue to meet the needs of those on low incomes. By earmarking currently unallocated funds for this affordable redevelopment, we ensure that this site remains a cornerstone of our commitment to social housing. A report will be brought forward to the Housing and Support Committee in March to outline the next steps.

Revenue Commitments: Addressing the Housing Crisis

The housing crisis is not just about new development; it is about maintaining the homes we already have. Too many residents are living in properties that do not meet basic decency standards, and too many requests for urgent repairs are going unanswered. This amendment includes provisions for hiring a dedicated Asset Management Officer for five years to tackle the backlog in the Decent Homes Standard, with a focus on

boiler and central heating replacements to prevent the development of damp, condensation, and mould (DCM). Crucially, this post will include flexible working hours to ensure tenants can access support at times that suit them.

Further, this budget amendment proposes funding for an external review of the Council's DCM management about which we have been greatly concerned in recent years. With the implementation of Awaab's Law approaching in October 2025, it is imperative that we ensure our systems are fit for purpose. This review will assess our reporting mechanisms, surveying processes, and commissioning of remedial works to bring us in line with best practice and prevent further neglect of tenants' concerns.

A Commitment to Accountability and Action

This amendment is a direct response to the failings that have come to light in recent months. It is not enough to apologise for lost emails or pledge improvements while continuing down a path that deprioritises social housing. The Council must act decisively to rebuild trust, address urgent housing issues, and put affordability at the heart of its development strategy. The measures proposed here are practical, affordable, and essential if we are to fulfil our duty to the residents who rely on us the most.

We urge our colleagues to support this amendment and take a stand for those who have been left unheard for too long.

Cllr Anthony Martinelli, Liberal Democrat Housing Spokesperson

4.2 Section 151 Officer Opinion

Section 25 of the Local Government Act 2003 requires the Council's Section 151 Officer to report to the council when it is considering its budget requirement and consequent council tax setting. The report must deal with the robustness of the estimates made for the purposes of the calculations and the adequacy of the reserves allowed for in the budget proposals.

My report, covering both the General Fund and HRA budgets as originally proposed by

the Executive, is set out at section 7 of the General Fund BSR (see pages 261-264 of the reports pack).

I confirm that the amendments proposed by the Liberal Democrats, as set out within this report, would not require any changes to the existing Section 25 report.

Jody Etherington, Chief Finance Officer

5. Consultation, engagement and communication

- 5.1 Tenant and leaseholder representatives are consulted on any changes in the HRA budget as an integral part of the scrutiny process associated with the Housing Scrutiny Committee.

6. Implications

Financial Implications

- 6.1 All financial implications are contained in the recommendations. Should all amendments be adopted, there would be no net impact upon future projected reserves levels (as set out on page 177 of the reports pack).

Legal Implications

- 6.2 None identified.

Equalities and socio-economic Implications

- 6.3 An assessment has been carried out on the equalities impacts of the amendment proposals in this report and is attached at Appendix A.

Net Zero Carbon, Climate Change and Environmental implications

6.4 None identified.

Procurement Implications

6.5 None identified.

Community Safety Implications

6.6 None identified.

7. Background documents

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

7.1 HRA Budget-Setting Report (BSR) 2025/26

8. Appendices

Appendix A – Equality impacts of Liberal Democrat amendments to the HRA Budget-Setting Report (BSR) 2025/26

To inspect the background papers or if you have a query on the report please contact Jody Etherington, Chief Finance Officer email:

jody.etherington@cambridge.gov.uk

Appendix A – Equality impacts of Liberal Democrat amendments to the HRA Budget-Setting Report (BSR) 2025/26

i) Asset Management Officer

ii) Damp, Condensation and Mould Management

These proposals intend to especially help to manage risk of and treatment of damp and mould. Prolonged exposure to mould can lead to respiratory conditions that have substantial and long-term impacts on individuals, which can result in disability as defined by the Equality Act 2010. The presence of damp and mould can also affect tenants' mental health. This could be due to worries about the health impacts, unpleasant living conditions, and destruction of property and belongings, for instance. Moreover, some protected characteristic groups are at greater risk of severe health impacts from damp and mould, including:

- Older people.
- People with pre-existing long-term health conditions or disabilities at risk of their condition worsening, people with existing mental health conditions, and people who have mobility issues making it more difficult for them to get out of a home with damp and mould and into fresh air.
- Pregnant women, their unborn babies and women who have recently given birth, who may have weakened immune systems.
- Children and young people whose organs are still developing and are therefore more likely to suffer from physical conditions such as respiratory problems.
- People with two or more of the characteristics above that indicate increased risk.

Sources:

- [Understanding and addressing the health risks of damp and mould in the home - GOV.UK](#)
- [Definition of disability under the Equality Act 2010 - GOV.UK](#)

iii) Affordable Redevelopment at Stanton House

This would have a positive impact for people in poverty or on low incomes by making more affordable housing available in the city. This means that the proposal could

have a positive impact on equality groups more likely to experience poverty or be on low incomes including:

- Children and young people aged under 18 who are in poverty in Cambridge (impacting on one in ten).
- Disabled people who, according to UK statistics, face a higher risk of poverty. This is driven partly by the additional costs associated with disability and ill-health, and partly by the barriers to work that disabled people face.
- Some ethnic groups who experience higher poverty rates – according to UK statistics Bangladeshi, Pakistani and Black African people experience the highest levels of poverty.
- Women who are more likely to experience poverty than men according to UK statistics. 64 per cent of the lowest paid workers are women. More than one fifth of women, 22 per cent, have a persistent low income, compared to approximately 14 per cent of men. This often links to fact that women are more likely to have caring responsibilities.
- Care leavers who are more likely to experience poverty/ low-income.

Moreover, people may be at greater risk of poverty or low-income where they have two or more characteristics where likelihood of experiencing poverty is greater.

Sources:

- [mapping-poverty-2023](#)
- [UK Poverty 2025: The essential guide to understanding poverty in the UK | Joseph Rowntree Foundation](#)
- [Women and poverty | National Education Union](#)
- [Spotlight on Poverty: Care Leavers and Care Experienced People | BASW](#)

iv) Reduction of 10 Year New Homes Programme Funding

Further information would be needed around the specific impact on the number and mix of homes to be delivered to be able to identify equality impacts of this proposal.