

## **Report to Governance, Strategy and Resources Scrutiny Board**

# **Housing Revenue Account Estimates for 2026/27 to 2030/31 and Forecast Outturn for 2025/26**

### **Portfolio Holder:**

Joint Report of Councillor Elaine Taylor, Statutory Deputy Leader and Cabinet Member for Neighbourhoods, and Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance, Corporate Services and Sustainability

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**28 January 2026**

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### **Reason for Decision**

The report sets out for the Housing Revenue Account (HRA), the detailed budget estimates for 2026/27, the strategic estimates for the four years 2027/28 through to 2030/31 and outturn estimate for 2025/26. The report also sets out the recommended dwelling, non-dwelling rents and service and concierge charges to be applied from April 2026.

### **Executive Summary**

The report sets out the HRA 2026/27 proposed original budget and the forecast outturn for 2025/26. The opportunity is also taken to present the provisional strategic budgets for 2027/28 through to 2030/31.

After taking all relevant issues into account, the projected financial position for 2025/26 is estimated to be a £3.723m positive variance when compared to the original budget forecast for 2025/26 approved at the Budget Council meeting, 6 March 2025. This is largely due to the contribution to capital of £3m being delayed until 2026/27. It should be noted that the revised forecast outturn would still see HRA expenditure at £0.757m greater than income, and reserves reducing as a result.

The 2026/27 position has been presented after allowing for a proposed increase in dwelling rents of 4.8%, an increase in non-dwelling rents in line with individual contracts, a nominal increase of 2% on service charges and the setting of Extra Care Housing concierge charges to fully recover costs. The majority of HRA tenants are either the recipient of Housing Benefit or Universal Credit, and it is assumed that the proposed increase in rents will not be an

additional financial pressure to the majority of tenants.

The financial projections for the HRA over the period 2025/26 to 2030/31 show an overall reduction in the level of balances from £22.173m at the start of 2025/26 to £15.628m at the end of 2030/31.

The HRA detailed budget for 2026/27, strategic estimates for the four years 2027/28 to 2030/31, and the outturn estimate for 2025/26 are presented to the Governance, Strategy and Resources Scrutiny Board for comment.

## **Recommendations**

That the Governance, Strategy and Resources Scrutiny Board considers and comments on the:

1. Forecast HRA outturn for 2025/26 (as per Appendix A)
2. Proposed HRA budget for 2026/27 (as per Appendix B)
3. Strategic estimates for 2026/27 to 2030/31 (as per Appendix D)
4. Proposed increase to dwelling rents for all properties of 4.8%.
5. Proposed increase to non-dwelling rents as per individual contracts.
6. Proposal that service charges are increased by 2%.
7. Proposal to set Extra Care Housing concierge charges to fully recover actual costs.

**Housing Revenue Account Estimates 2026/27 to 2030/31 and Forecast Outturn for 2025/26****1 Background**

- 1.1 The budget and policy framework sets out an annual timetable for the HRA budget process. Production of this report and the ability to scrutinise the budget are key features of that framework, along with consultation with tenants. As part of this process, the HRA Budget report for 2026/27 is presented here with the intention that it will be considered by Cabinet on 09 February 2026 and Council on 04 March 2026.
- 1.2 HRA activities are a key element of the Council's Housing which aims to provide a diverse Oldham Housing offer that is attractive and meets the needs of different sections of the population at different stages of their lives.

**2 Current Position****Housing Stock**

- 2.1 The Council's housing stock currently comprises 2,079 properties with most properties being managed and maintained within two Private Finance Initiative (PFI) schemes. The housing stock is explained at paragraphs 2.2 to 2.5 as follows.

**PFI 2 Sheltered Housing**

- 2.2 The PFI 2 Contract between the Council and Housing 21 was signed in 2006 to provide 1,434 sheltered accommodation dwellings in a mixture of bungalows and group schemes with construction finishing in May 2012. There are currently 1,429 properties as a result of some remodelling and conversion for community use. The operational contract runs to September 2036. The total construction value was £105m, all of which is payable through an annual unitary charge and funded by the annual PFI grant from Government alongside rental income received.

**PFI 4 Gateways to Oldham**

- 2.3 The Gateways to Oldham PFI 4 scheme reached financial close in November 2011 and has seen the refurbishment of 317 existing properties and the creation of 317 new homes, with a total capital value of £77m. The Council has entered into a 25-year contract with Inspiral Oldham who utilised private finance to fund the construction works and to manage and maintain the properties for the duration of the contract through to October 2036. Construction was completed in December 2014 (317 refurbishments and 317 new homes in total) with all the required highway works and public open space improvements finalised in November 2015. The Council has subsequently sold 25 properties under the Right to Buy Scheme (RTB) leaving a current stock total of 609 properties.

**Holly Bank Apartments**

- 2.4 Holly Bank Apartments is a 20-unit supported housing facility for Adults with Learning Disabilities. The scheme was built for a total capital value of approximately £4.4m. The scheme was completed in November 2019 with its first tenants housed in March 2020.

**Primrose Bank Extension**

- 2.5 In 2020 the Council purchased 19 5-bedroom properties at Primrose Bank, since this time one property has been sold under the Right to Buy scheme at no discount. These properties formed

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part of the Housing Revenue Account stock and were let at affordable rents. The properties benefit from new technology that help increase energy efficiency. The properties are designed to re-appraise how homes are heated, using a combination of solar photovoltaic (PV), electric heating and battery storage.

### **The Self-Financing Housing Revenue Account**

- 2.6 The HRA is a self-sufficient ring-fenced account which retains and utilises rental income, and in the case of Oldham, PFI credits, to meet all its management, maintenance and repairs commitments, including the respective unitary charges to provide social housing. The ringfencing arrangements ensure Councils manage their housing stock for the benefit of its residents in a transparent, accountable and in a cost-effective way.
- 2.7 In non-PFI arrangements depreciation is charged to ensure Councils are accumulating appropriate balances in order to have enough resources to allow for any repairs needed to their housing stock. However, as most of Oldham's housing stock is contained within two PFI schemes, there already exists an allocation of funding for ongoing repairs and maintenance within the unitary charge paid, and so depreciation need not be charged to the HRA in respect of Oldham's PFI housing stock.

### **Government Guidance for Rent Increases**

- 2.8 The proposed annual increase for Oldham Council's 2026/27 HRA rents follows the Government Guidance of a maximum of CPI + 1%. The CPI rate is taken at the preceding September to the next financial year, in this case September 2025, where CPI was 3.8%. Therefore, the proposed rental increase for 2025/26 is 4.8%. This proposed increase will help support and maintain adequate HRA balances (the balance at the end of 2024/25 was £22.173m). It is estimated that the average rent increase from April 2025 will be £5.25 per week (from £109.31 to £114.56).
- 2.9 In 2001, the Government introduced rent convergence as part of the self-financing of HRAs. The aim of this was to ensure fairness and consistency between social housing rents charged in properties managed by Local Authorities and Housing Associations. The idea was that with effect from 2002, rents were based on a standard formula, and where the current rent was below the formula level, they could be increased annually by up to £2 per week on top of the prescribed increase (currently CPI plus 1%) until the rent charged was equal to the formula. This continued until 2015-16, when the Government imposed a 1% per annum reduction on weekly rents, and at this point there were still properties where the rent hadn't increased to the formula level.

The current Government have consulted on the reintroduction of rent convergence and have said that an announcement will be made in January 2026 as part of the Rent Settlement. If, as was suggested in the consultation, the Government reintroduce the principle that Local Authorities and Housing Associations can increase rents by more than CPI plus 1%, the Council would have the option of increasing rents of affected properties by more than the 4.8% being proposed. It is estimated that there are 673 properties where the current rent is below the formula rent. Of these, 131 properties have a shortfall of between £5 and £10 per week, and 39 properties where the shortfall is over £10 per week. The remainder are less than £5 per week, and again the majority of affected tenancies would see any additional charge offset by an increase in Housing Benefit or Universal Credit.

### **The Revised HRA Budget 2025/26**

- 2.10 The 2025/26 estimated outturn is attached at Appendix A and shows an estimated year end working balance of £21.448m, £3.723m higher than the original budget approved at the March 2025 Budget Council meeting. This is largely due to the contribution to capital of £3m being delayed until 2026/27.

2.11 The composition of the balance is summarised below:

Analysis of HRA Balances 2025/26	Original Budget £000	Revised Budget £000	Variance £000
HRA Balances b/fwd	(21,214)	(22,173)	(959)
(Surplus)/Deficit for the year on HRA Services	3,489	725	(2,764)
<b>HRA Balances c/fwd</b>	<b>(17,725)</b>	<b>(21,448)</b>	<b>(3,723)</b>

### The HRA Budget 2026/27

2.12 The proposed HRA budget for 2026/27 is attached at Appendix B including all income and expenditure due to be financed from HRA Balances.

2.13 As previously advised, most of the housing within the HRA is managed within two PFI arrangements which are in part funded by Government grant known as PFI credits. PFI credits for the two schemes are paid on an annuity basis; that is, they remain constant throughout the life of the contracts. In the early years of the schemes, these credits exceed the unitary charges and other costs payable. These early year surpluses, together with any interest earned, have been retained within as part of the reserves to meet later year deficits as unitary charge payments to the service provider are increased year on year by an inflationary factor. HRA balances are specifically earmarked to finance these contracts and other planned HRA capital schemes, as identified in Appendix D.

2.14 Other key assumptions made in determining the proposed HRA revenue budget are that:

- 1) Average rents increased by 4.8% on 2025/26 rents for all HRA tenants.
- 2) Void levels have been assumed at 1% per annum on PFI 4 properties, Holly Bank and Primrose Bank, and at 2.1% per annum on PFI 2 properties. PFI 2 void percentages have historically been higher as a result of the on-going tenancy placement work, ensuring tenant mixes in the six extra care schemes are appropriate to the levels of care provision required.
- 3) There are 48 chargeable rent weeks in 2026/27.
- 4) Service Charges are increased by a nominal 2%.
- 5) Extra Care Housing charges are increased to recover full cost from 1 April 2026 in line with previous approvals.

2.15 The estimated 2025/26 HRA closing balance is £21.448m and is enough to meet operational commitments in the short/medium term, and any potential financial pressures identified in the risk assessment. Appendix B presents the projected 2025/26 HRA budget based on the proposed position. However, it should be noted that previous decisions to increase rent at a lower level than allowed have meant that HRA balances have been significantly reduced over the life of the 30-year business plan.

2.16 The estimated HRA budget for 2026/27 to 2030/31 is summarised below and presented in more detail at Appendix D. Forecast expenditure includes the use of Revenue Contributions to Capital Outlay (RCCO) to support the financing of the HRA Capital Programme (see the Capital Strategy report elsewhere on the agenda). For the period 2026/27 to 2030/31 the HRA has £2.990m allocated as its RCCO. The ability of the HRA to support major capital projects has been diminished by the rent increases applied in 2022/23 and 2023/24 being below the maximum level (the Government Guidance of a maximum of CPI + 1%), the result of this decision impacting on the HRA Business Plan. The HRA Business Plan has been prepared mindful of the agreed minimum required HRA balance of £3m.

<b>HRA Income and Expenditure Account 2026/27 to 2030/31 Strategic Forecast</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>
Income (including interest and investment income)	(31,576)	(31,967)	(32,323)	(32,686)	(33,322)
Expenditure	35,014	32,474	32,932	33,395	33,879
Net (surplus)/Deficit	3,438	507	609	709	557
HRA Balances b/fwd.	(21,448)	(18,010)	(17,503)	(16,894)	(16,185)
HRA Balances c/fwd.	(18,010)	(17,503)	(16,894)	(16,185)	(15,628)

### **Dwelling Rent, Non-Dwelling Rents and Services Charges Increases 2026/27**

- 2.17 The proposed 2025/26 HRA budget is based on dwelling rents increasing by 4.8%. This is the maximum rental increase allowed based on current Government rent setting guidance as outlined in paragraph 2.8 above. Non-dwelling rents will be increased in line with individual agreements.
- 2.18 Central heating charges remain for some of the PFI properties, it is proposed to continue recharging tenants based on actual costs incurred.
- 2.19 From the Council's perspective, service charges are deemed necessary as it helps minimise long term risk to the Council's HRA Business Plan, whilst also allowing the establishment of a more stable and realistic financial environment in which to manage the housing stock.
- 2.20 The Council has recognised the financial pressure that a 4.8% rent uplift will have on tenants and for this reason it has chosen to increase service charges by just 2% for all tenants in 2026/27 pending a further service charge review.

### **Extra Care Housing (ECH) and Holly Bank Apartments**

- 2.21 All six ECH schemes (Trinity House, Aster House, Charles Morris House, Tandle View Court, Old Mill House and Hopwood Court) incur a service charge for concierge services. It is proposed that the weekly charge is increased in line with Housing 21's service delivery costs, from £29.53 to £30.36 per week reflecting the actual cost incurred by the Council.

### **HRA Contributions to Capital**

- 2.22 Given the reducing HRA balances, following below inflation rent increases applied over recent financial years, the Council will need to determine for all future HRA projects, the best source of funding. However, the forecasts in this report reflect a planned use of balances.
- 2.23 The only requirement for HRA capital during the period covered by this report is a contribution of £2.990m toward the cost of additional housing in the Town Centre.

Maintenance work to the solar panels fitted on homes managed by Housing 21 is currently being explored but costs are not expected to affect HRA balances significantly at this stage.

### **Strategic HRA Estimates 2027/28 to 2030/31**

- 2.24 The projected forecasts for 2027/28 to 2030/31 are shown at Appendix D. As per paragraph 2.1, most of the properties within the HRA are managed under two PFI contracts. Based on current estimates, it is expected that the HRA balance will be £17.503m at the end of 2027/28, £16.894m at the end of 2028/29, £16.185m at the end of 2029/30 and £15.628m at the end of 2030/31. As detailed above, the period of 2027/28 to 2030/31 is one whereby balances are due

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to reduce by an average of £0.596m per year. The reduction in balances have been impacted by previous decisions to not increase rents by the maximum allowable by the guidance. The HRA Business Plan has been prepared mindful of the agreed minimum required HRA balance of £3m, ensuring balances are kept above this level to the end of the PFI arrangements.

- 2.25 It should be noted that in both PFI schemes a proportion of the unitary charge is indexed with reference to inflation based on the Retail Prices Index (RPI/RPIx) rather than the Consumer Price Index (CPI).

### **3 Options/Alternatives**

- 3.1 To agree the recommendations as stated in the report.
- 3.2 To not agree the recommendations as stated in the report.

### **4 Preferred Option**

- 4.1 To agree the recommendations as stated within the report.

### **5 Consultation**

- 5.1 A key element of the consultation process is the consideration of the HRA budget by this Governance, Strategy and Resource Scrutiny Board along with its progression to Cabinet and Council.

### **6 Financial Implications**

- 6.1 The proposals set out in this report are based upon the best assessment of the likely financial position of the Council's HRA for 2025/26 to 2030/31. Prudent assessments have been included within these estimates and the financial impact of any variances is identified in the Risk Assessments undertaken. A Risk Register as at January 2026 can be found at Appendix C.
- 6.2 HRA balances, although significantly reduced over the period to 2030/31, are still considered sufficient to meet known obligations for this period. However, the annual reduction cannot be maintained indefinitely, and action needs to be taken in the medium term to ensure that the HRA remains viable as required for the duration of the 30-year Business Plan. Thought will soon need to be given as to the arrangements for the stock currently managed as part of the PFI contracts, so that the financial impact on the HRA can be assessed more accurately.
- 6.3 The Housing Revenue Account Estimates report has direct links to both the Council's Housing Strategy and the Capital Strategy.
- 6.4 The Council's Capital Strategy follows the same approval pathway as this Housing Revenue Account Estimates report. This report is aligned with the Capital Strategy and Capital Programme and includes all HRA funded capital projects as summarised under Revenue Contribution to Capital Outlay (RCCO) as contained in Appendices A to D.

(John Hoskins)



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## 7 Legal Implications

- 7.1 It is a statutory requirement that the Authority set a balanced HRA budget, having due regard to an appropriate level of working balances and giving due consideration to the risks involved.

(Alex Bougatef)

## 8. Procurement Implications

- 8.1 Procurement implications will be dealt with on a service provider case by case basis.

## 9 Equality Impact, including implications for Children and Young People

- 9.1 Yes – Appendix E

## 10 Key Decision

- 10.1 Yes

## 11 Key Decision Reference

- 11.1 FCR-15-25

## 12 Background Papers

- 12.1 The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as defined by that Act.

File Ref:	Background papers are attached as Appendices A to E
Officer Name:	John Hoskins and Lee Walsh
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## 13 Appendices

Appendix A	Revised HRA Income & Expenditure Account 2025/26.
Appendix B	Original HRA Income & Expenditure Account 2026/27.
Appendix C	2026/27 – 2030/31 Risk Assessment as at January 2026.
Appendix D	HRA Income & Expenditure Account 2026/27 to 2030/31 Strategic Forecasts.
Appendix E	Equality Impact Assessment



Revised HRA Income & Expenditure Account 2025/26	Original Budget	Latest Forecast	Variance to Budget
	£000	£000	£000
<b>Income</b>			
Dwellings Rents (gross)	(10,579)	(10,631)	(52)
Non Dwelling Rents	(29)	(27)	2
Charges for Services and Facilities	(1,325)	(1,575)	(250)
PFI Grant	(18,799)	(18,799)	0
<b>Total Income</b>	<b>(30,732)</b>	<b>(31,032)</b>	<b>(300)</b>
<b>Expenditure</b>			
Unitary Charge Payments (PFI2 and PFI4)	27,405	27,576	171
Repairs & Maintenance	214	121	(93)
Supervision & Management	1,829	1,853	24
Special Services	1,500	1,797	297
Depreciation and Impairment of Fixed Assets	80	305	225
Rent, Rates and Other Charges	200	305	105
Revenue Contribution to Capital Outlay (RCCO)	3,193	0	(3,193)
<b>Total Expenditure</b>	<b>34,421</b>	<b>31,957</b>	<b>(2,464)</b>
<b>Net Cost of HRA Services</b>	<b>3,689</b>	<b>925</b>	<b>(2,764)</b>
Interest and Investment Income	(200)	(200)	0
<b>(Surplus)/Deficit for the year on HRA Services</b>	<b>3,489</b>	<b>725</b>	<b>(2,764)</b>
HRA Balances brought forward	(21,214)	(22,173)	(959)
<b>HRA Balances carried forward</b>	<b>(17,725)</b>	<b>(21,448)</b>	<b>(3,723)</b>

Original HRA Income & Expenditure Account 2026/27	Original Budget
	<b>£000</b>
<b>Income</b>	
Dwellings Rents (gross)	(11,141)
Non-Dwelling Rents	(27)
Charges for Services and Facilities	(1,409)
PFI Grant	(18,799)
<b>Total Income</b>	<b>(31,376)</b>
<b>Expenditure</b>	
Unitary Charge Payments (PFI2 and PFI4)	27,953
Repairs & Maintenance	54
Supervision & Management	1,905
Special Services	1,759
Depreciation and Impairment of Fixed Assets	40
Rent, Rates and Other Charges	313
Revenue Contribution to Capital Outlay (RCCO)	2,990
<b>Total Expenditure</b>	<b>35,014</b>
<b>Net Cost of HRA Services</b>	<b>3,638</b>
Interest and Investment Income	(200)
<b>(Surplus)/Deficit for the year on HRA Services</b>	<b>3,438</b>
HRA Balances brought forward	(21,448)
<b>HRA Balances carried forward</b>	<b>(18,010)</b>

## HOUSING REVENUE ACCOUNT

## 2026/27 – 2030/31 RISK ASSESSMENT AS AT JANUARY 2026

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
1. The void level assumed on dwelling properties increases.	The proposed budget assumes a void rate of 1% on PFI 4, Holly Bank and Primrose Bank properties, and a 2.1% void rate on PFI 2 properties. These are believed to be realistic estimates at this time.	A change in the void percentage of 1% (approximately 21 properties) has the impact, in a full year, of £111k.	The loss of income arising from movement in void levels would need to be met from HRA balances. The HRA has sufficient balances to absorb small movements on voids.
2. Impact of changes in rental income collection rates.	The collection of rental income is a key performance indicator and one in which the PFI providers have performed well at. Historically it has been considered a low risk that this collection rate will deteriorate to a level to the point where it has a significant impact on the HRA budget. The on-going cost of living crisis resulting from higher than anticipated inflation levels could have a detrimental impact on collection rates as some tenants struggle to pay their bills. This area will continue to be monitored within the performance meetings and appropriate measures taken to mitigate the impact.	Rental income is accounted for within the HRA on a rents receivable not received basis. Continuous monitoring of the levels of uncollected income will help inform the provisions position needed for bad or doubtful debts.	The current HRA bad debt provision is prudent for the levels of uncollected income currently being held/forecast within the HRA. The HRA bad debt provision is subject to review each year.
3. Service Charge Recovery	Service charges are currently eligible for Housing Benefits so it is relatively low risk that most service charge costs will be unrecovered.	In 2025/26 the total level of service charges is budgeted for approximately £1.066m (excluding concierge and court manager costs). Any reduction in this could impact the HRA's ability to maintain and develop new schemes and	Tenants failing to pay their service charges will have a detrimental effect on the HRA balance, although given the high number of tenants in receipt of Housing Benefit, the level of collection is still expected to

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
		services.	remain high.
4. Extra Care Housing (ECH) Charge Recovery	ECH charges are eligible for Housing Benefit so it is of relatively low risk that the majority of ECH charge costs will be unrecovered. Self-payers may incur some level of difficulty. However, the percentage of self-payers as part of the overall tenancy profile is relatively small.	In 2026/27 it is expected each qualifying tenant i.e. a tenant within one of the six approved Extra Care Housing Group Schemes, will need to pay approximately £1,457 p.a. towards ECH charges.	Tenants failing to pay their ECH charge will have a detrimental effect on the level of the reserve, although given the close correlation to Housing Benefit, the levels of collection are expected to remain high.
5. Balances fall below a level considered acceptable to manage risks faced by the HRA	Given the pressures on the HRA it is possible that a combination of factors could lead to HRA balances falling below £15.628m, the minimum projected over the next 5 years.	The HRA may have reduced resources to manage any significant increases in expenditure /reduction in income without the consideration of budgetary measures outside those included in the projections.	Close budget monitoring will be undertaken and management action would be introduced, including the potential for some short term borrowing or the revision to capital plans, should the HRA balances position prove challenging.

**HRA Income & Expenditure Account 2026/27 to 2030/31 Strategic Forecasts**
**Appendix D**

<b><u>HRA Income &amp; Expenditure Account 2026/27 to 2030/31 Strategic Forecasts</u></b>	<b>Original 2026/27</b>	<b>Original 2027/28</b>	<b>Original 2028/29</b>	<b>Original 2029/30</b>	<b>Original 2030/31</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Income</b>					
Dwellings Rents (gross)	(11,141)	(11,503)	(11,829)	(12,163)	(12,768)
Non-Dwelling Rents	(27)	(28)	(29)	(29)	(30)
Charges for Services and Facilities	(1,409)	(1,437)	(1,466)	(1,495)	(1,525)
HRA Subsidy ~ PFI Credits	(18,799)	(18,799)	(18,799)	(18,799)	(18,799)
<b>Total Income</b>	<b>(31,376)</b>	<b>(31,767)</b>	<b>(32,123)</b>	<b>(32,486)</b>	<b>(33,122)</b>
<b>Expenditure</b>					
Unitary Charge Payments (PFI2 and PFI4)	27,953	28,322	28,696	29,076	29,473
Repairs & Maintenance	54	55	56	57	58
Supervision & Management	1,905	1,943	1,982	2,021	2,062
Special Services	1,759	1,794	1,830	1,867	1,904
Depreciation and Impairment of Fixed Assets	40	41	42	42	43
Rent, Rates and Other Charges	313	319	326	332	339
Revenue Contribution to Capital Outlay (RCCO)	2,990	0	0	0	0
<b>Total Expenditure</b>	<b>35,014</b>	<b>32,474</b>	<b>32,932</b>	<b>33,395</b>	<b>33,879</b>
<b>Net Cost of HRA Services</b>	<b>3,638</b>	<b>707</b>	<b>809</b>	<b>909</b>	<b>757</b>
Interest Payable and Other Similar Charges					
Interest and Investment Income	(200)	(200)	(200)	(200)	(200)
<b>(Surplus)/Deficit for the year on HRA Services</b>	<b>3,438</b>	<b>507</b>	<b>609</b>	<b>709</b>	<b>557</b>
HRA Balances brought forward	(21,448)	(18,010)	(17,503)	(16,894)	(16,185)
<b>HRA Balances carried forward</b>	<b>(18,010)</b>	<b>(17,503)</b>	<b>(16,894)</b>	<b>(16,185)</b>	<b>(15,628)</b>

# Housing Revenue Account Estimates for 2026/27 to 2030/31 and Forecast Outturn for 2025/26

completed/last updated by John Hoskins, Finance Manager on 20/01/2026

Portfolio

Value for Money and Sustainability

Directorate

Finance

Service/Team

Finance

Is this IA related to a Budget Reduction proposal?

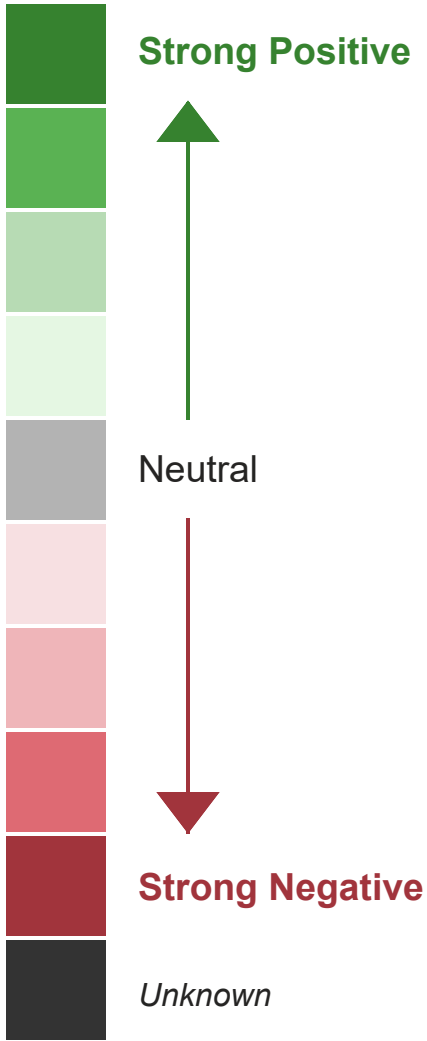
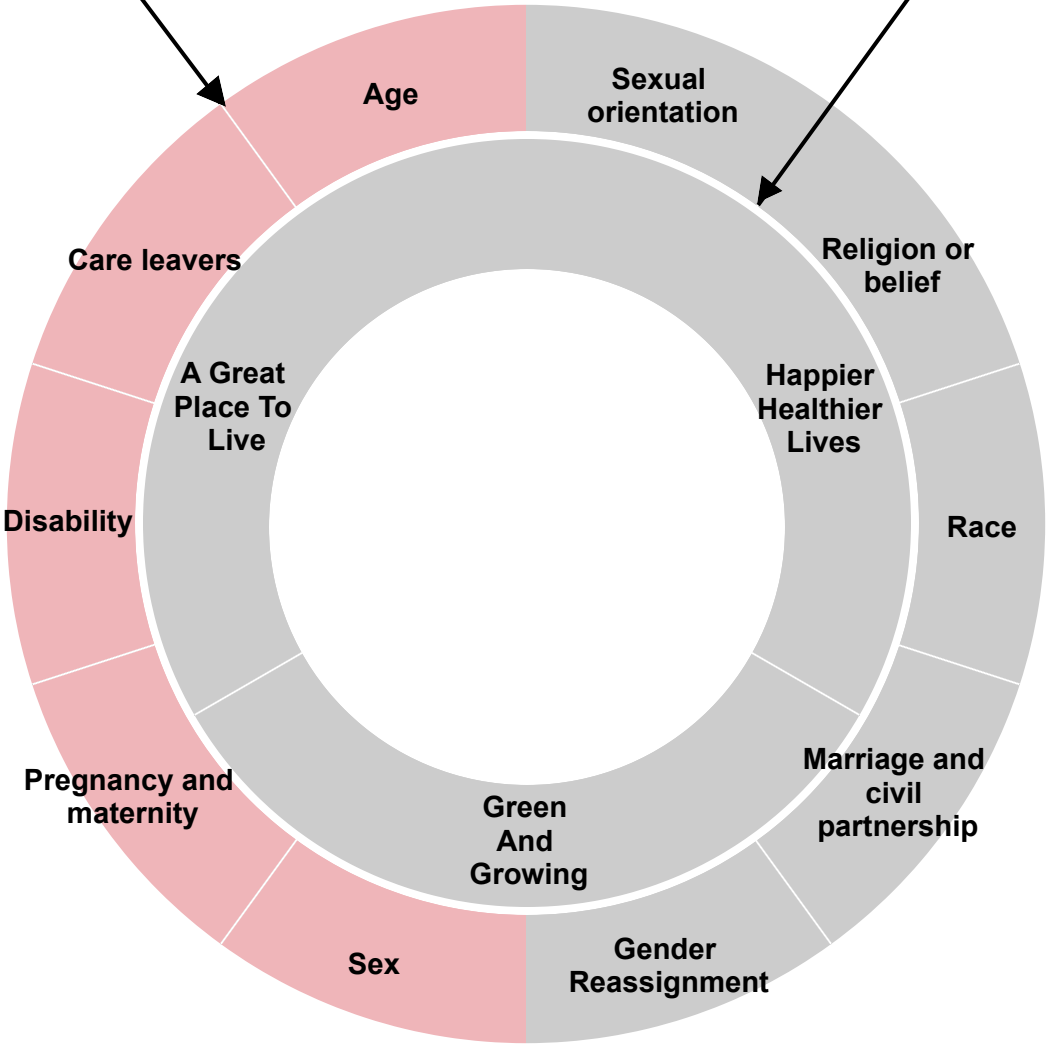
No

Comment on No Positives in whole IA

The proposals are required to ensure the long-term financial sustainability of the HRA, maintain sufficient balances, and enable the Council to continue meeting its statutory housing management, maintenance and investment responsibilities.

Equality Characteristics

Our Mission



Equality Characteristics

Category	Impact	Likely	Duration	Impact Score ▲	Comment
Age	Moderate Negative	Possible	Long Term	-2	Older residents are disproportionately represented within sheltered and Extra Care Housing schemes.
Care leavers	Moderate Negative	Possible	Long Term	-2	Care leavers are more likely to be on low incomes, in early employment, education or training, and may have limited financial resilience.
Disability	Moderate Negative	Possible	Long Term	-2	Disabled tenants are more likely to live in social housing.
Pregnancy and maternity	Moderate Negative	Possible	Long Term	-2	Households with young children may experience financial pressures.
Sex	Moderate Negative	Possible	Long Term	-2	Female-headed households are statistically more likely to live in social housing and experience poverty.
Gender Reassignment	Neutral	Possible	Long Term	0	
Marriage and civil partnership	Neutral	Possible	Long Term	0	
Race	Neutral	Possible	Long Term	0	
Religion or belief	Neutral	Possible	Long Term	0	
Sexual orientation	Neutral	Possible	Long Term	0	



Our Mission / Corporate Priorities

Category	Impact	Likely	Duration	Impact Score ▲	Comment
A Great Place To Live	Neutral	Possible	Long Term	0	
Green And Growing	Neutral	Possible	Long Term	0	
Happier Healthier Lives	Neutral	Possible	Long Term	0	

## Negative Impacts

Category	Impact	Likely	Duration	Impact Score	What action can be taken to mitigate the potential negative impacts?	Action(s)	Owner(s)	Timescale(s)	If the negative impacts can't be mitigated, why should the project/decision proceed?
Age	Moderate Negative	Possible	Long Term	-2	Many older tenants are in receipt of Housing Benefit or Pension Credit, which is expected to offset the majority of the increase.	Support services remain in place to assist tenants experiencing financial difficulty.	John Hoskins	Long term	Rent increases apply consistently across all dwelling types and are set in accordance with national policy.
Care leavers	Moderate Negative	Possible	Long Term	-2	The majority of care leavers are in receipt of Universal Credit, which is expected to increase in line with rent levels.	Support services remain in place to assist tenants experiencing financial difficulty.	John Hoskins	Long term	Rent increases apply consistently across all dwelling types and are set in accordance with national policy.
Disability	Moderate Negative	Possible	Long Term	-2	The majority of affected tenants are in receipt of Housing Benefit or Universal Credit, which is expected to increase in line with rent.	Support services remain in place to assist tenants experiencing financial difficulty.	John Hoskins	Long term	Rent increases apply consistently across all dwelling types and are set in accordance with national policy.
Pregnancy and maternity	Moderate Negative	Possible	Long Term	-2	Rent increases apply consistently across all dwelling types and are set in accordance with national policy.	Support services remain in place to assist tenants experiencing financial difficulty.	John Hoskins	Long term	
Sex	Moderate Negative	Possible	Long Term	-2	No evidence indicates disproportionate adverse impact by sex beyond broader income inequality issues addressed through mitigation.	Support services remain in place to assist tenants experiencing financial difficulty.	John Hoskins	Long term	Rent increases apply consistently across all dwelling types and are set in accordance with national policy.