NOTICE OF MEETING

HOUSING, PLANNING AND DEVELOPMENT SCRUTINY PANEL

Monday, 15th December, 2025, 6.30 pm - George Meehan House, 294 High Road, Wood Green, N22 8JZ (watch the live meeting here, watch the recording here)

Councillors: Adam Small (Chair), Dawn Barnes, Khaled Moyeed, Harrison-Mullane, John Bevan, Lester Buxton and Isidoros Diakides.

Quorum: 3

1. FILMING AT MEETINGS

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The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. APOLOGIES FOR ABSENCE

To note any apologies for absence.

3. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business (late items will be considered under the agenda item where they appear. New items will be dealt with as noted below).

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
(ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

5. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

To consider any requests received in accordance with Part 4, Section B, Paragraph 29 of the Council's Constitution.

6. MINUTES (PAGES 1 - 22)

To approve the minutes of the previous meeting.

7. CABINET MEMBER QUESTIONS - CABINET MEMBER FOR PLACEMAKING AND LOCAL ECONOMY

Verbal update.

8. KPI UPDATE (PAGES 23 - 48)

A set of Key Performance Indicators relating to the Housing Service. For noting.

9. FINANCE UPDATE - Q2 2025/26 (PAGES 49 - 104)

The report sets out the Council's financial position at Quarter 2 of the 2025/26 financial year.

10. HOUSING REVENUE ACCOUNT BUSINESS PLAN AND BUDGET 2026/27 (PAGES 105 - 128)

To receive and make recommendations on the Housing Revenue Account Business Plan and Budget 2026/27.

11. WORK PROGRAMME UPDATE (PAGES 129 - 132)

To note the work programme.

12. NEW ITEMS OF URGENT BUSINESS

To consider any items admitted at item 3 above.

13. DATES OF FUTURE MEETINGS

9th March 2026

Philip Slawther, Principal Scrutiny Officer
Tel – 020 8489 2957
Email: philip.slawther2@haringey.gov.uk

Fiona Alderman
Director of Legal & Governance (Monitoring Officer)
George Meehan House, 294 High Road, Wood Green, N22 8JZ

Wednesday, 10 December 2025

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MINUTES OF THE MEETING Housing, Planning and Development Scrutiny Panel HELD ON Monday, 17th November, 2025, 6.30 - 9.00 pm

PRESENT:

Councillors: Adam Small (Chair), Dawn Barnes, Khaled Moyeed, Harrison-Mullane, John Bevan and Diakides

ALSO ATTENDING:

261. FILMING AT MEETINGS

The Chair referred Members present to agenda Item 1 as shown on the agenda in respect of filming at this meeting, and Members noted the information contained therein’.

262. APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Buxton.

263. URGENT BUSINESS

There were no items of Urgent Business.

264. DECLARATIONS OF INTEREST

None.

265. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

None.

266. MINUTES

In relation to matters arising from the previous meeting, the following points were raised:

- The Panel disputed the extent to which someone illegally subletting a room would be picked up as part of a tenancy audit. The Panel requested further information about whether we would be relying on self-declarations at the tenancy audits in order to get an accurate figure, or whether some consideration was being given to a more proactive process of requiring written permission to sub-let. **(Action Sara Sutton).**

- The Panel sought clarification about whether the limit of £100k for a person of pensionable age to have in savings was appropriate. The Panel requested a written response on why it was set at this level (**Action Sara Sutton).** The Cabinet Member advised that the allocations policy was being updated and this provided an opportunity to bring it in line with other benefits.
- The Panel reiterated their request to receive regular updates on the numbers of legal disrepair claims as part of the standing KPI item update. **(Action Sara Sutton).**
- In relation to undertaking financial checks on whether people have properties abroad, officers clarified that there was a limit to the checks that could be carried out for foreign property and that these checks would usually be carried out in instances where there was intelligence to that effect or in cases involving fraud. The Chair requested a written response on what checks were undertaken as part of fraud checks on tenancy, including holding foreign assets. **(Action Sara Sutton/Minesh Jani).**
- In response to a request for clarification, officers confirmed that legal disrepair claims were limited to Council owned properties.

RESOLVED

That the minutes of the meeting on 23rd September 2025 were agreed as a correct record.

267. KPI UPDATE

The Panel received a set of slides which provided an update on arrange of Key Performance Indicators relating to the Housing Service, as set out in the agenda pack at pages 17-48. The following arose as part of the discussion of this item:

a. The Panel commented on the 38% score for handling of ASB as part of the tenant satisfaction measures. In response the Cabinet Member commented that ASB was a difficult issue, particularly given the vulnerabilities of some of the people who perpetrated it. The Cabinet Member pointed to some successes in getting closure orders to prevent some of the more serious cases and commented that it was hoped that better cross working between the Council's ASB team and the Housing ASB team, as well as the roll out of the good neighbour policy would help. The Corporate Director of Adults, Housing and Health commented that bringing these services together in one directorate helped focus support for vulnerable people. It was also commented that there was some work being undertaken with health partners, including the allocation of £2.6m to fund assertive outreach work, which included supporting mental health.
b. The Panel commented that the level of homes that met the Decent Homes standard seemed to have remained fairly static. In response, officers advised that the Council had a target to bring all homes up to the decent homes standard by 2028 and that there had been an 8% improvement over the last three years. Officers also cautioned that the figure was not static and that homes became non-decent during the course of the programme.
c. The Panel commented that there seemed to be a knock-on impact to resident satisfaction with things like repairs, arising from the problems they experienced in contacting the Council about that repair. The Panel set out the importance of

improving call waiting times and being able to update tenants regularly on the particulars of their case. In response, officers acknowledged these concerns and the fact that there had been a drop in telephony performance within Customer Services in the past couple of months. It was commented that additional resources were being put into that team and that there was a service recovery plan in place. Officers also highlighted the importance of digital innovation and the integration of the Customer Services interface with the Housing repairs system. Officers commented that the Council had removed the capping of calls and that there was a system in place for people to get a call back.

d. The Panel commented that the data suggested that performance around levels of satisfaction with repairs had decreased in the current year compared to last and that the Council had consistently failed to meet it's target on this KPI. In response, officers set out that there were a number of factors that impacted performance in this area including; contact centre waiting times, volume of repairs, type of repairs. Officers provided assurances that they were working to resolve these issues and they had restructured the management of repairs and improved the process of tracking complex repairs.
e. The Panel queried whether Council Tax was owed on empty void properties. In response, the Cabinet Member for Finance and Corporate Resources confirmed that this was the case.
f. The Panel queried decreasing performance around leaseholder collection charges. In response, officers advised that annual bills went out to leaseholders in September and that this usually coincided an increase in queries where the leaseholder disputed some aspect of the bill. In addition, the bills had increased this year and this had led to a decrease in collection rates. Officers advised that there would be some briefings arranged for councillors and residents groups to explain some of the issues that had arisen this year.
g. In relation to voids, officers advised that they were in the process of reestablishing the internal teams and reorganising them so they were multi-skilled. In addition, the Council had just appointed two new void contractors, so it was envisaged that this would make an impact in terms of being able to turn around more void properties. The Cabinet Member commented that historically, the Council had around 200 new lets in a year, but this year it had been 750. There was a lot more voids properties to turn around due to the increase in people moving into newly build Council homes.

RESOLVED

That the update was noted.

268. UPDATE ON THE IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE SCRUTINY REVIEW ON PRIVATE SECTOR HOUSING

The Panel received an update on a previous Scrutiny Review that the Panel undertook on Landlord Licensing in the Private Rented Sector (PRS). The recommendations from which were considered by Cabinet in March 2024. The report consisted of a cover report, the original Scrutiny Review report and a table which provided an update on the implementation of the recommendations from the Review. The report was introduced by Cllr Williams, Cabinet Member for Housing & Planning and Gavin Douglas, Head of Regulatory Services as set out in the agenda pack at pages 49-86. Lyn Seller, Private Sector Housing Team Manager was also present for this item. The following arose as part of this discussion of this item:

a. Cllr Williams commented that the introduction of the Renters Reform Bill would have a big impact on the housing in PRS and the organisation's responsibility as the local housing authority. The Bill proposed a number of reforms including a ban on no fault evictions, a ban on rental bidding and a ban on paying rent in advance of more than one month.
b. Officers advised that there had been around 22k licensing applications, with around 21k licenses issued. 7k compliance inspections had been undertaken and 108 Civil Penalty Notices (CPNs) had been issued. More staff had been recruited to the team since the last update, with 39 staff in the team and paid for through the licensing fees.
c. In response to a query, officers clarified that CPN's were not there to pay for the licensing scheme, instead the licensing fees paid for this. Income from CPNs could be used more broadly across the area of private sector housing.
d. In response to a query around why the number of fines received from CPNs had decreased slightly since the last update, Officers advised that this was a live figure and that a reduction may reflect that some of the cases may been lost on appeal. It was also noted that there was currently a significant backlog in tribunal hearings, which meant that the appeal process could take some time. Cllr Williams advised the Panel that two-thirds of local authorities had not issued any CPNs and that 108 was comparatively high.
e. The Panel questioned the likelihood of further expansion of the selective licensing scheme. In response, officers advised that the scheme was due to expire in 2027 and that work had begun to build the dataset in order to support an application for an extension. The dataset would determine whether there was scope for an expansion of the scheme. It was also noted that the Renters Reform Bill would require landlords to provide an updated dataset to the Council.
f. In relation to advocacy and Rent Repayment Orders, officers advised that there was an existing arrangement with Justice for Tenants and it was hoped that the Renters Reform Bill would strengthen the authority's ability to adopt more formal arrangements. Current legislation limited what the licence fee income could be spent on.
g. The Panel sought clarification about the current inspection cycle. In response, officers advised that there is a requirement in law to inspect HMOs every five years. However, for the selective licensing scheme, the application to MHCLG stated that the 75% of properties would be inspected in a five year cycle.
h. In relation to 21k applications approved from 22k applications and the number of licensing applications that had been refused, officers clarified that properties were not refused a licence but that the fit and proper person nominated as the licence holder could be refused. In these circumstances, another person would be nominated as the licence holder. Officers commented that there were outstanding licenses to be processed and that there were around 490 new applications received last month, so the numbers were not static.
i. In response to a question, officers provided assurances that there were plans to increase engagement with landlords and to reinvigorate the landlords forum as well as residents forums, particularly following the introduction of the Renters Reform Bill.

j. In response to a question about apprenticeships, officers advised that there were two apprentice Environmental Health Officers in the team. In addition, the service were trying to upskill their existing staff and that a number of officers had transitioned from compliance officers to enforcement roles.

RESOLVED
Noted.

269. SCRUTINY OF THE 2026/27 DRAFT BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2026/2031

The Panel received a report for their consideration and comment, on the Council's draft 2026-27 Budget and 2026-31 Medium Term Financial Strategy (MTFS) proposals that related to the Panel's remit. The report include the Budget/MTFS report that went to Cabinet on 11th November, along with appendices that set out the General Fund revenue and capital budget proposals relevant to Housing and Placemaking. The report was introduced by Kaycee Ikegwu, Head of Finance and Cllr Carlin, Cabinet Member for Finance and Corporate Resources, as set out in the agenda pack at pages 87-160. Also present for this item were the Corporate Director of Adults, Health and Housing, along with the Director of Placemaking. Cllr Williams, Cabinet Member for Housing and Planning was present for this item and so was Cllr Gordon, Cabinet Member for Placemaking and Local Economy.

The report identified that the estimated additional budget requirement for Housing Demand in 2026/27 was £13.2m, consisting of £4.3m of previously agreed proposals and £9.9m of new proposals. The report identified £9.9m of proposed new budget pressures across 2026/27, £9m of which were attributed to an 18-19% increase in the cost of Nightly Paid Accommodation for Temporary Accommodation. The report also identified a £257k reduction in the Floating Support Contract as a proposed new budget saving. Furthermore, the report identified £1m of investment required to provide proposed reductions of £2.1m across the five-year period of the MTFS. This proposal related to incentive payments to private sector landlords to retain and grow private sector leasing housing stock, and thereby reduce the Council's reliance on costly nightly paid and B&B accommodation. The following arose during the discussion of this agenda item:

a. The Panel sought clarification about how much of the circa £9m budget pressure related to Temporary Accommodation related to the decrease in availability of Private Sector Leased accommodation (PSL). In response, officers advised that the net impact of PSL was around £350k. It was highlighted that there was an invest to save proposal around incentive payments to PSLs and that this would be a net cost to the Council in the first year of the MTFS. Officers provided assurances that the proposals were a combination of some robust modelling, which the service had received external assurance on, including benchmarking against other London boroughs. Officers commented that Haringey
benchmarked favourably against other London boroughs.
b. The Panel queried what assumptions were used in relation to the reduction in PSLs and what impact would the increase in the cost of NPA have from 2027 onwards. In response officers set out that they couldn't really forecast beyond 12/18 months when it came to the cost of NPA due to the volatility in the market

making it very difficult to accurately predict beyond this timeframe. It was also commented that the Renters Reform Bill would likely have an impact in this area. The Corporate Director advised that they had based the modelling for the invest to save proposal on a number of assumptions on income and expenditure over a three year period. A piece of work had been undertaken to look at transitioning from higher cost NPA to lower cost NPA, which it was hoped would have a positive impact on the overspend.

c. The Chair sought clarification on whether it was the case that the modelling showed a reduction in PSL even with the invest to save proposal, it was just that the reduction would be less with the incentive payments. In response, officers confirmed that was the case and commented that they did not expect to have 100% take up of the incentive arrangements and that the service had been prudent in its modelling assumptions.
d. The Panel requested a written response from officers in relation to the current position with Broadwater Farm in terms of the latest cost estimate and the likely timescales for completion. The Panel noted their general concerns about some of the big projects being delayed and the knock on impact that this had on loss of income and spiralling costs. **(Action: David Sherrington).**
e. The Panel sought assurances from officers about how confident they were with their projections in relation to Housing Demand, given the £11.4m projected overspend in this area. In response, officers advise that they hoped to see an improvement in this projection towards the year end. It was set out that Haringey was one of many London boroughs that had seen escalating costs in TA and that the rate of the increase in costs was very difficult to project. Officers advised the Panel, that Haringey was a bit of an outlier in terms of the overall numbers of people in TA were fairly stable and the organisation was managing demand at the prevention and relief stage, as well as managing the numbers of people moving out of TA. There were around £6m of savings in this area to deliver over two years. Officers reiterated that it was very difficult to project demand and cost in a volatile market. Officers also set out that the numbers and cost of NPA may rise as the Council focused its efforts on reducing the numbers of B&B accommodation, which was the most expensive and least suitable type of accommodation.
f. The Panel sought assurances around the invest to save proposal around floating support contracts and queried whether the 35% reduction in contract value was as a result of efficiencies or whether it was a refocusing of support to the most vulnerable. In response, officers advised that it was both. It was anticipated that there were some service efficiencies that could be made and that the service had some current vacancies. The contract varied in terms of the support it offered individuals and there was a recognition that better value for money could be driven by focusing on those most in need. Officers highlighted that there were also a number of VCS organisations that offered support in this area, and some of these were funded by the Council. In addition, the independence and early intervention team would include two tenancy sustainment officer posts, so the Council's offer in this area was broader than just this one saving proposal.
g. The Panel asked for more information in relation to the £262k budget pressure around legal recharges. In response, officers advised that this reflected a realigning of the budget to reflect actual spend in this area. The allocated

budget and the actual spend on things like disrepair claims or landlord claims had not been aligned for a couple of years.

h. The Panel raised concerns with the proposed saving in relation to floating support contracts. It was commented that this could be a false saving, in that it would cost the Council more in the long run than they would save in the short term. The Panel requested further assurances from Cabinet that there was a genuine financial benefit arising from this saving. In response, the Cabinet Member for Housing advised that she had become increasingly convinced that that the level of support offered by some of these contracts was so small that their impact was negligible, and that the Council should be targeting its support in this area to those who needed it most. The Cabinet Member also echoed the comments of officers that there was a range of other support available in the voluntary community sector. The Cabinet Member for Finance and Corporate Resources provided assurances that they were aware of possible additional costs arising in other areas and that this was considered when agreeing a saving proposal.
i. The Panel also raised concerns with the latest performance on voids, as set out in the KPI update and questioned whether additional resources were needed in this area. In response, the Cabinet Member advised that there were three new contracts being put in place in relation to voids and that these should be agreed by Cabinet next month.
j. The Chair commented that the Cabinet report made clear that the scale of the budget pressures is so severe that a fundamental rethink was required about how the Council delivered services. The Chair asked the Cabinet Member to elaborate on what this might mean in relation to the Housing Service and TA. In response, the Cabinet Member for Housing commented that this was a system issue that had built up over a number of years and that system change was required to resolve it. The Cabinet Member commented that the organisation was getting more support from the government in terms of grant funding and in terms of their support for Haringey's house building programme and acquisitions programme. Officers advise that the homelessness prevention grant in the current year was £14m and that Haringey had also received an additional £813k in additional grants. Officers also highlighted a number of other areas of work that was being undertaken including move-on solutions for families and the homelessness prevention hub that would be co-located with Citizen's Advice. The Corporate Director commented on the rent convergence programme and the increase in costs for TA. It was noted that this was a partial driver of the increase in bad debt provision, but it was projected that this would drive savings of around £1m.
k. The Chair asked the Cabinet Member for Placemaking and Local Economy to elucidate on the £580k budget pressure identified in relation to Wood Green, as well as the £2.1m change to the capital programme in relation to Wood Green and Tottenham. In response, Cllr Gordon advised that the budget pressure related to the fact that a number of staff salaries were capitalised and that if the specific project did not go ahead, or if the project did not deliver a capital asset, the salaries would no longer be able to be capitalised and so would become a pressure within the General Fund. Officers added that a review of the service was being undertaken in the coming months.
l. The change to the capital programme related to the Future High Streets project and the change was the use of additional match funding to reduce the need for

General Fund match funding. There was no change to the project outcomes, just how it was funded. Officers advise that they would continue to explore similar outcomes for other projects. In response to a question, officers advised that the additional match funding came from central government.

RESOLVED

That the Panel scrutinised the proposals presented in the report and the appendices and provided the following recommendations to OSC:

I. That Cabinet provide further assurances around the proposed £257k saving in floating support contracts. The Panel is concerned that this may be a false saving and would like further assurance that there is a genuine financial benefit arising from this saving. The Panel is concerned that the short term saving from a reduction in tenancy sustainment may result in additional costs to the Council in the long run.
II. That further information be provided around how the Council plans to improve performance on turning around void properties and reach the 1% target.

270. HARINGEY DRAFT LOCAL PLAN

The Panel received a report on the Draft Local Plan. The Local Plan was approved by public consultation by Cabinet on 16 September 2025 and public consultation was underway, closing on 19 December 2025. The paper set out the background to the Haringey New Local Plan and signposted the Panel to key documentation relating to the Draft Local Plan. The report was introduced by Cllr Sarah Williams, Cabinet Member for Housing and Planning and Bryce Tudball, Head of Spatial Planning. Rob Krzyszowski, Director, Planning & Bulding Standards was also present for this item. The following arose during the discussion of the report:

a. The Chair commended officers for the breadth and scope of the Draft Local Plan, acknowledging the large amount of work that must have gone in to producing the document. Officers set out that the Local Plan was the spatial expression of the Council’s vision and would set out how the organisation would seek to tackle the housing challenges it faced, along with tackling climate change and other challenges.
b. The Panel noted that it was a 15 year plan and sought assurances that it would be updated regularly, given the need for flexibility in light of changing priorities. In response, officers advised that Local Plans should be updated every five years. It was commented that the Plan was very detailed so it was hoped it would be more a case of refining it, rather than wholesale changes in future. Officers confirmed that it would be updated on a five-year rolling programme.
c. The Panel commented that the Plan was due to be adopted in 2027, by which time some of the schemes would already be in place. In response, officers acknowledged that this was the case but provided assurances that even though it was in draft format, the Plan still gave a clear signal to developers about what the Council expected in terms of future developments. Even though the full weight of the Plan couldn’t be given through the Planning process until it was adopted. Officers added that in terms of a longer term view, the Council was holding a call for sites that might become available for future development.
d. The Panel commented that the Plan talked a lot about equity and fairness, but queried why the fairness element was hyper-localised around neighbourhoods,

given that people often lived and worked in different parts of the borough or even in different parts of London. In response, officers advised that the Plan could do both, it could deal with the hyper-local as well as the need to think beyond the borough and across the wider city. Officers elaborated that in the consultation received to date, there had been a lot of feedback around the importance that people attached to their neighbourhood, and so the service had tried to develop a Plan with neighbourhoods that people could relate to and recognise on the ground. Officers acknowledged that people often lived and worked in different parts of London.

e. The Panel welcomed references to 15 minute cities and having local urban centres, commenting on the necessity of having local services and amenities.
f. The Chair commented on the circular relevance of the plan and the extent to which the different elements intersected, given its importance to Placemaking. The Chair sought assurances around the extent to which there had been partnership working across different service areas and across the Cabinet Member portfolios for Housing and Placemaking. In response, the Panel were advised that like a lot of council activity it sat across more than one portfolio, but that it was ultimately a planning document. The draft Local Plan reflected placemaking priorities, but it also reflected priorities for tackling climate change, priorities around parks and green spaces and priorities around aging well. It was suggested that there were a range of strategies that ran through the document. The Cabinet Member for Placemaking and Local Economy emphasised the importance that Shaping Wood Green and Shaping Tottenham had on the development of the draft Local Plan.
g. The Panel queried whether it was appropriate to include the extension of the Victoria Line to Northumberland Park in the Plan. In response, officers advised that it was certainty appropriate to include the organisation’s infrastructure priorities, and that there was a live discussion ongoing about what those infrastructure priorities should be. Officers commented that these should be better reflected in final version of the Local Plan next year.
h. The Panel queried what the trade-offs might be in future or which of the priorities were seen as most important in the Plan, given it would be impossible to deliver on all of the aspirations without some trade-offs. In response, the Cabinet Member for Housing advised that it wasn’t a document about trade-offs, rather it set out the Council’s aspirations and how it saw the borough developing. The Local Plan was about what residents wanted to see, rather than what developers may want, and it was framed those terms. The Cabinet Member commented that there would have to be prioritisation on a site-by-site basis, as not all sites were the same and not all sites could deliver the same things. Officers added that by adopting a placemaking approach, the Council was acknowledging that each neighbourhood had its own priorities and characteristics. The Local Plan was currently out for consultation, so that residents could tell the Council what the priories for their local area should be.
i. The Chair welcomed the Local Plan’s focus on culture. In relation to social infrastructure, the Chair sought comments on the tension between pushing developers to build social infrastructure and the pressure on the local authority to maintain that infrastructure at some point, such as parks and green spaces. In response, officers advised that they were doing a lot of work behind the scenes around infrastructure delivery and that they were pulling together a digital infrastructure delivery plan over the next 12-18 months, which would look

at the infrastructure needed in the borough and possible gaps in the future. Officers commented that they were looking to develop an interactive map tool on the website as part of this.

j. The Panel queried what the other areas were that officers thought may need most work on in the Plan in the coming 18 months. In response, officers advised that the aforementioned infrastructure piece was one and that there was a big stream of work going on the background. The second was around viability of development. Officers set out that the organisation had a requirement to make sure that the plan was deliverable and that the priorities as a whole and did not put future development at risk. The service would be undertaking a piece of work around viability and what was deliverable.
k. The Panel queried what the elements were in the plan that would ensure the delivery of affordable housing. In response, officers noted that they had sought to acknowledge in the Plan that not all affordable homes were equally affordable. The Plan set out a clear explanation of what was meant by genuinely affordable homes and what the Council expected in that regard. In terms of what was delivered on a site-by-site basis, that would be determined by the specifics of that development and the site. Officers provided assurances that there would be rigorous criteria to ensure that the borough would get as much genuinely affordable housing as it could. There was also a new London Plan in development with its own targets relating to affordable housing and the government had also introduced new targets in this area.
l. The Panel queried an expected announcement by the government about council's being unable to call-in schemes of over 150 units, and questioned how that might affect the Local Plan. In response, officers advised that, as it was an announcement they didn't have all of the details, but that it was expected that that the changes would be around giving the Secretary Of State powers to call-in applications if the authority was minded to refuse them. It was commented that the changes seemed to be more aimed at problematic authorities who weren't proactive in developing a Local Plan and who were not building enough homes. Officers commented that they did not believe that Haringey fell into this category. In terms of how it would affect the Local Plan, officers advised that the mooted changes wouldn't affect the Plan at all, as the Local Plan set out the Council's statement of planning policy and what it wanted to see in its borough. The Secretary of State couldn't override it too much, and they still had to use the Local Plan as the basis of their decisions. Officers commented that the Local Plan would go through an independent inspection, appointed by the Secretary of State, prior to its adoption.

RESOLVED

That the report was noted.

271. WORK PROGRAMME UPDATE

RESOLVED

That the work programme was noted and any amendments were agreed.

272. NEW ITEMS OF URGENT BUSINESS

N/A

273. DATES OF FUTURE MEETINGS

Noted as:

15 December 2025
9 March 2026

CHAIR: Councillor Adam Small

Signed by Chair ………………………………..

Date …………………………………

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Housing, Planning and Development Scrutiny Panel – Action Tracker 2025-26

2025-26 - 23 June 2025

No.	ITEM	STATUS	ACTION	RESPONSE
1	Housing Resident Impact Assessment	**COMPLETED**	The Panel requested that the guidance on the new arrangements for supporting the tenants associations be circulated via email	The Residents Association information pack was circulated to the Panel via email on 16th September
2	Cabinet Member Questions	**COMPLETED**	The Panel requested a summary of survey feedback that was collected from tenants who had moved into new build properties.	*On 22 April 2025, Cabinet received a paper updating it on the progress of the Council Housing Programme (agenda item 22, p589) – link here: [Agenda Document for Cabinet, 22/04/2025 18:30]* • *This report included a section summarising the resident satisfaction surveys that are carried out by the Engagement and Aftercare Team 12 months after the residents have moved into their new homes: "Post completion project quality review and final accounting (Gateway 5)" (at s7.15-s7.21, on p595-p597).* • *Four schemes were reported on in this report (Rosa Luxemburg Apartments (103 council homes), Mountview Court (4 council homes), Scales Road (4 council homes), and Romney Close (3 council homes).* • *The Gateway 5 (GW5) reports were appended to this report, from p607-p637.* *With the completion of new council homes a rolling programme, the Engagement and Aftercare Team carries out the 12-month resident satisfaction (GW5) surveys on a rolling basis throughout the year.*

3	Cabinet Member Questions	**Ongoing**	The Panel enquired about the Affordable Energy Strategy and whether there were any plans to renew this when it expired	Officers have advised that this is due to be renewed and that some initial work has been undertaken around reviewing the existing strategy as well as outreach work with community, RSL's, Public Health etc. As part of a restructure, the Fuel Poverty function has been transferred from Carbon Management into Customer Services. Further Information on indicative timescales for the renewal of the strategy is outstanding.
4	Cabinet Member Questions	**COMPLETED**	The Chair commented that people being able to sublet a room in their home may act as a disincentive towards them downsizing and requested a written response on the number of residents who sublet a room.	Officers have advised that this is not something that they are able to provide accurate data on. Tenancy audits would pick up whether a bedroom was being used. Single occupancy is recorded and officers would check whether if permission had been granted as part of the audit. Requests for subletting are not as common as they used to be.

23rd September 2025

No.	ITEM	STATUS	ACTION	RESPONSE
5	KPI Update	**COMPLETED**	The Chair requested that future standing KPI updates included information on the number of legal disrepair cases.	Legal Disrepair Claims are managed via an internal process between our Repairs Service and Legal Services. Due to the unpredictable nature of claim volumes, we do not have KPI's attached to legal disrepair claims. Where a disrepair claim is made, surveyors are appointed to agree a schedule of works for the works to be undertaken. Where an agreement cannot be made, this is referred to our legal team and resolved through litigation. Legal Service and Housing Services meet once a month to review overall case progress, however we are unable to share case progress due to the sensitivity and legal privilege of these cases. The HRA business plan outlines the provision made each year to deal with legal disrepair claims.
6	Q1 Finance Update	**COMPLETED**	The Panel asked for a written response on what the financial limit was in terms of assets that a person could have and still be eligible for a council home. The Panel also sought assurances that the organisation carries out checks on whether people own a property overseas and that these checks were routinely carried out.	Under 3.5 of the Council's Housing Allocation Policy, households that have total savings over £50,000 or £100,000 if an applicant is of pensionable age, will is not entitled to be included on the Council's Housing Register and will not be offered accommodation, subject exceptions set out in the Policy. Under 5.8.1 owner occupiers applicants who own other residential property. All offers of accommodation made through the Housing Register are subject to verification checks either having already been completed or being completed prior to a formal offer. These checks include verifying an applicant's address history for 6 years and their income and savings.

				Property ownership Proof of address such as bank statements, utility bills etc will be required to confirm address history and any gaps or failure to provide evidence will be investigated further, as will links to properties identified through credit checks that have not been mentioned as part of the application. Only where there is some indication that a person has lived or owned property abroad would proactive checks be carried out into this. Whilst the UK Land Registry offers a reliable and easily accessible tool to check property ownership in the UK, every country will have their own systems for establishing property ownership. These are often, fragmented, difficult to access and of varying reliability. Therefore, unless there is information to suggest possible overseas property ownership, it isn't feasible to make generalised proactive checks. **Financial checks** The verification process will include credit checks and requesting statements for bank accounts linked to the applicant. Where this reveals savings greater than the threshold or substantial withdrawals that suggest the applicant may have disposed of savings above the threshold, a formal offer will not be made.
6	Q1 Finance Update	**COMPLETED**	The Panel requested assurances about the size of the projected overspend, and also on how the financial projection process worked when the organisation set a budget, given the size of the projected overspend at Q1.	The projected overspend is based on a series of assumptions, with projections reviewed and updated monthly. Providing projections is based on the most up to date information at the time. Services are required to identify risks and opportunities to the financial position and manage any risks throughout the year. <u>Budget Planning 2025/26</u> Work began on setting the 2025/26 budget early in the 2024/25 financial year. This process consisted of the Council's leadership

				team working together to collectively understand the budget position and what is driving the spend, share information across directorates and develop a number of cross - directorate and directorate specific savings proposals to address the financial challenge. The estimated pressures are based on a series of assumptions with the best-known information at the current time. Many of these assumptions will carry risk and uncertainty and therefore for demand led services, such as social care and housing, scenario planning is undertaken to identify a best case and worst-case scenario before a judgement is made and forms the basis for estimating future service pressures. All assumptions remained under review, with the 2024/25 Month 8 forecasts were used to inform the most up to date, realistic and reliable estimates of service pressures to set the budget for 2025/26. Given the increase in pressures the council faces, the council must significantly reduce expenditure. We are holding a corporate contingency of £10m to manage risks but our estimates of demand and price in some areas have outstripped the assumptions we made when the budget was set. All services reviewed non-essential spend to bring down the 2024/25 overspends and at the same time developed proposals for reducing spend and increasing income for 2025/26. However, the stricter controls that are now in place only came into effect from April. To set the budget for 2025/26, £37m EFS was required. There is a need to plan for uncertainty as the future is unknown when formulating the budget. As mentioned above this is achieved by focussing on scenario planning which allows the Council to think in advance and identify drivers, review scenarios and define the issues using the most recent data and insight. The Council's Section 151 Officer has a statutory responsibility to assess the

				robustness of the Council's budget and to ensure that the Council has sufficient contingency/reserves to provide against known risks in respect of both expenditure and income. The Council's Section 151 Officer has acknowledged that the Q1 position demonstrates that there is more to do when Budget Planning, however it should be noted that the 2025/26 budget was set based on the most up to date info at the time and service pressures increased by the end of 2024/25, which resulted in a year end 2024/25 service overspend of £37.8m.
7	Q1 Finance Update	**COMPLETED**	The Panel queried the relationship between the projected £34.1m overspend and the £37m EFS loan that was secured from the government. The Panel requested clarification about where the £37m loan was reflected in the overall budget position.	The report to Cabinet in February 2025 acknowledged the service pressures facing the council, with £56m additional budget allocated to services in 2025/26, primarily, adults and children's social care and temporary accommodation. This additional budget is included in the Q1 General Fund Revised Budget of £314,383 (see table 1 in the Q1 report) and is only possible by assuming a £37m use of Exceptional Financial Support (EFS). This is shown as a separate line in the revenue budget under ''funding' and also within the capital programme. The projected Q1 overspend of £34.1m is on top of the assumed use of EFS. Any EFS not funded through capital receipts, the financing cost of the use of EFS will be charged to the Capital Financing Charges Budget (see table 1 in the Q1 report).

17th November 2025

No.	ITEM	STATUS	ACTION	RESPONSE
8	Previous Minutes	**COMPLETED**	The Panel requested further information about whether we would be relying on self-declarations at the tenancy audits in order to get an accurate figure of the prevalence of illegal sub-letting, or whether some consideration was being given to a more proactive process of requiring written permission to sub-let.	The Terms and Conditions of our tenancies state: "You have the right to take in lodgers. A lodger is a person who lives with you as part of your household and shares the same facilities. You have the right to sub-let part (but not all) of your home if you have written permission from the Council in advance. Introductory tenants do not have these rights (Clauses 4 and 5) until they become a secure tenant." Our target is to complete Tenancy Audits on 20% of our Council stock on an annual basis. These visits are to ensure that properties are being maintained, identify any vulnerabilities and eliminate any fraudulent activity. In the event there is suspected fraudulent activity, officers would refer cases to the Audit and Risk team for investigation. In cases where we have given permission that part of home can be sub-let, this will be documented within their tenancy file as this is not data that is currently held on our Housing Management system NEC. Following Cabinet's approval of the new Tenancy Management Policy in October 2025, we will be reviewing our approach of home visits, including tenancy audits, and how we can further drive areas such as occupancy and fraud. Any individual concerns can be reported to a Housing Officer or directly through the Audit and Risk team: Fraud and corruption | Haringey Council
9	Previous Minutes	**COMPLETED**	The Panel sought clarification about whether the limit of £100k for a person of pensionable age to have in	The £100K savings limit for those of pensionable age was introduced through the Housing Allocations Policy in April 2017. A limit of £50K was also introduced for other applicants unless it

			savings was appropriate. The Panel requested a written response on why it was set at this level	could be shown that the applicant's income and savings were insufficient for the household to find suitable accommodation in the private sector. As part of the consultation for the Housing Allocations Policy 2017, as the previous allocations scheme did not set a savings threshold residents were asked if they agreed with having a savings limit and if so, what was an appropriate figure. The proposal to introduce a savings threshold was supported with the majority agreeing that £100,000 was a correct threshold, with some believing it should be lower. As a result, the savings threshold was introduced at £100k for those of pensionable age but was set at the reduced threshold of £50k for those of working age. The draft Housing Allocations Policy is currently proposing to reduce the savings limit to £16,000 for all applicants. This new figure is based on the level of savings which would exclude someone from claiming benefits. This figure will be subject to change following consultation.
10	Previous Minutes	**ONGOING**	The Panel requested to receive regular updates on the numbers of legal disrepair claims as part of the standing KPI item update	The service does not have KPI's attached to legal disrepair claims due to the unpredictable nature of claim volumes. Instead, Legal Services and Housing Services meet once a month to review overall case progress. We are unable to share case progress due to the sensitivity and legal privilege of these cases, but we will review what information can be provided and outline a proposal for the Panel's consideration in Q4.
11	Previous Minutes	**COMPLETED**	The Panel requested a written response on what checks were undertaken as part of fraud checks on tenancy, including holding foreign assets.	Please see the response to action number 6 above.

12	Scrutiny of the 2026/27 draft budget and MTFS 2026-31	**OUTSTANDING**	The Panel requested a written response from officers in relation to the current position with Broadwater Farm in terms of the latest cost estimate and the likely timescales for completion.	To follow via email.

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Housing Improvement Team
Adults, Housing & Health

Housing Services

Key Performance Indicators

October 2025

Summary of October 2025 performance:

Highlights:

- Gas compliance increased slightly to 99.93% and remains within tolerance levels.
- Asbestos re-inspections were 100% complaint at the end of the period.
- Water Risk Assessments remain at 100% compliance from the last period.
- Rent collection for General Needs and Sheltered Housing decreased slightly but remains above YTD target for October.
- Leaseholder Service charges collection increased by 37% to 97.3% which is now above target.
- Estates grades increased to 92.7% and is now within tolerance levels.
- Communal fire points Health & Safety checks for Supported Housing has maintained 100% since the beginning of this year.
- Support Plans compliance remained static at 97.2% as reported last month and remains within tolerance levels.

Areas of concern:

- Satisfaction with last repair, first-time fix and voids remain below target.
- Emergency repairs also dipped below target at 93.4%.
- The % of rent collected for temporary accommodation has increased to 92.8% YTD October, but remains below target.
- A delay in tenancy audits being loaded onto NEC has impacted performance in this area and is below the target profile but increased by 168 audits during October.

TX 07

What is your overall satisfaction with your last repair? **(excludes Out Of Hours repairs)**

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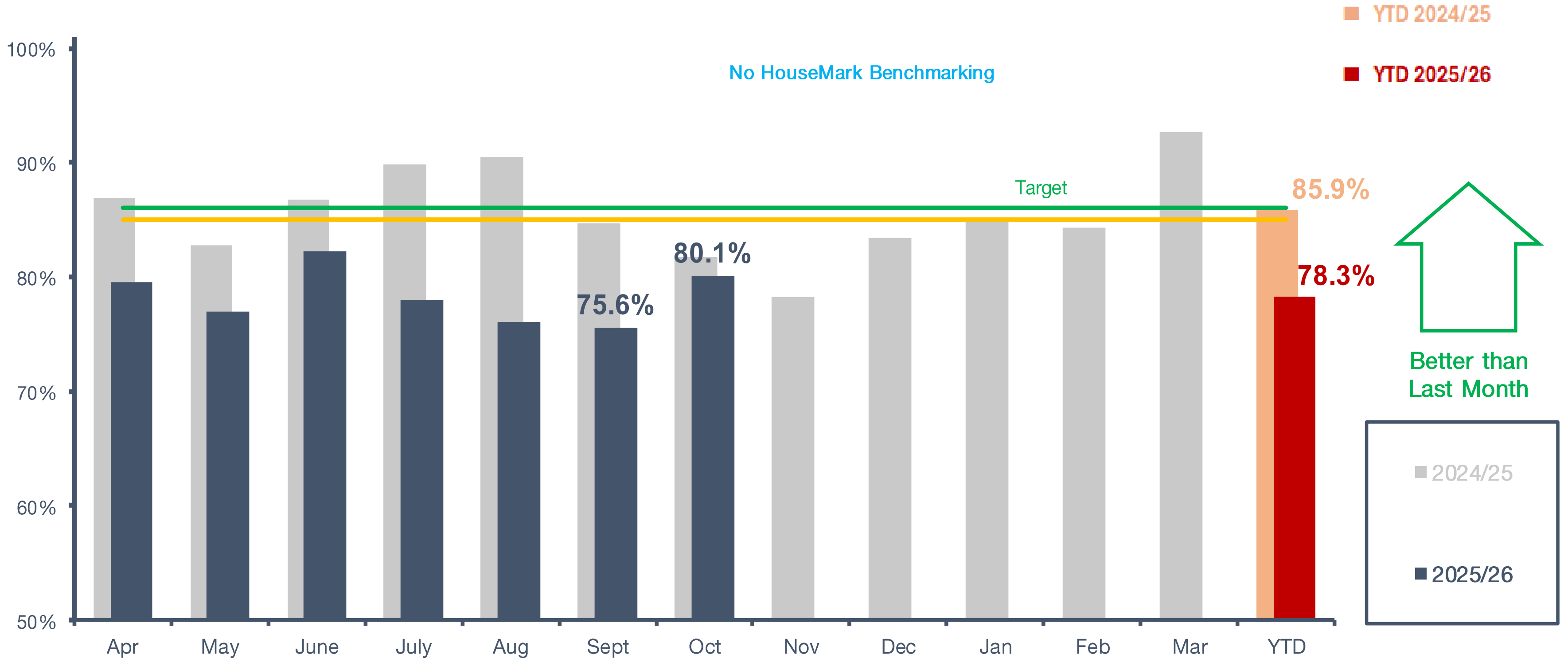

Target	Oct	YTD	2024/25
86.0%	80.1%	78.3%	85.9%

Monthly Metrics:	
Satisfied:	161
Surveyed:	201

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- This KPI is assessed as **Red** ragged for October 2025. An exception commentary has been provided by the Head of Service on the next slide.

What is your overall satisfaction with your last repair?

We are experiencing feedback from customers which suggests that the customer journey with repairs is not a good experience from start to finish with excessive wait times being experienced in the call centre when reporting repairs and similar experiences when follow up calls are made.

HMPI 100

% of all repairs first time fixed (not including programmed works)

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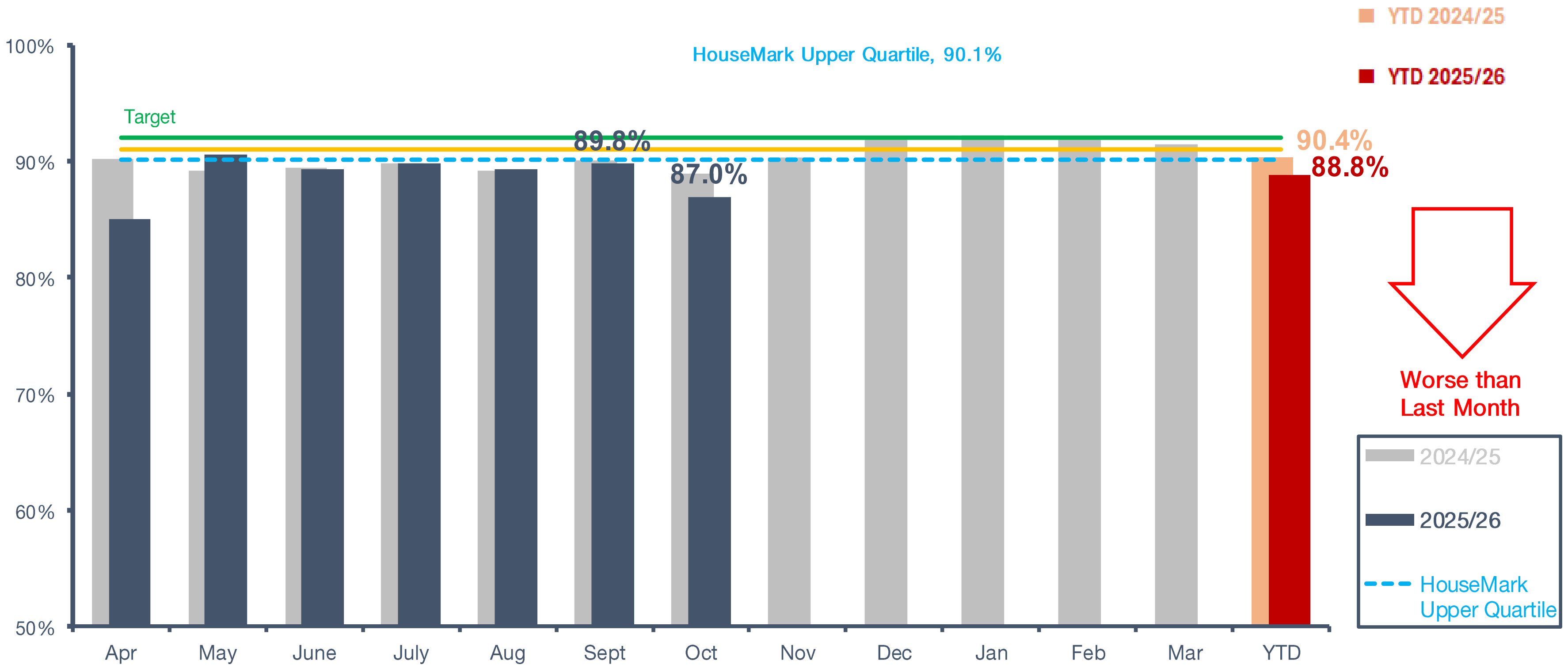

Target	Oct	YTD	2024/25
92.0%	87.0%	88.8%	90.4%

Monthly Metrics:	
First Time Fix:	4,131
No. of Repairs:	4,751

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- This KPI is assessed as Red ragged for October 2025. An exception commentary has been provided by the Head of Service on the next slide.

% of repairs first time fixed (not including programmed works)

Our performance in this area can be attributed to a more robust approach to health and safety, with all teams making sure that asbestos checks are completed in advance of any intrusive works.

VO 01

GN& SH voids as % of stock *(GN & SH stock only)*

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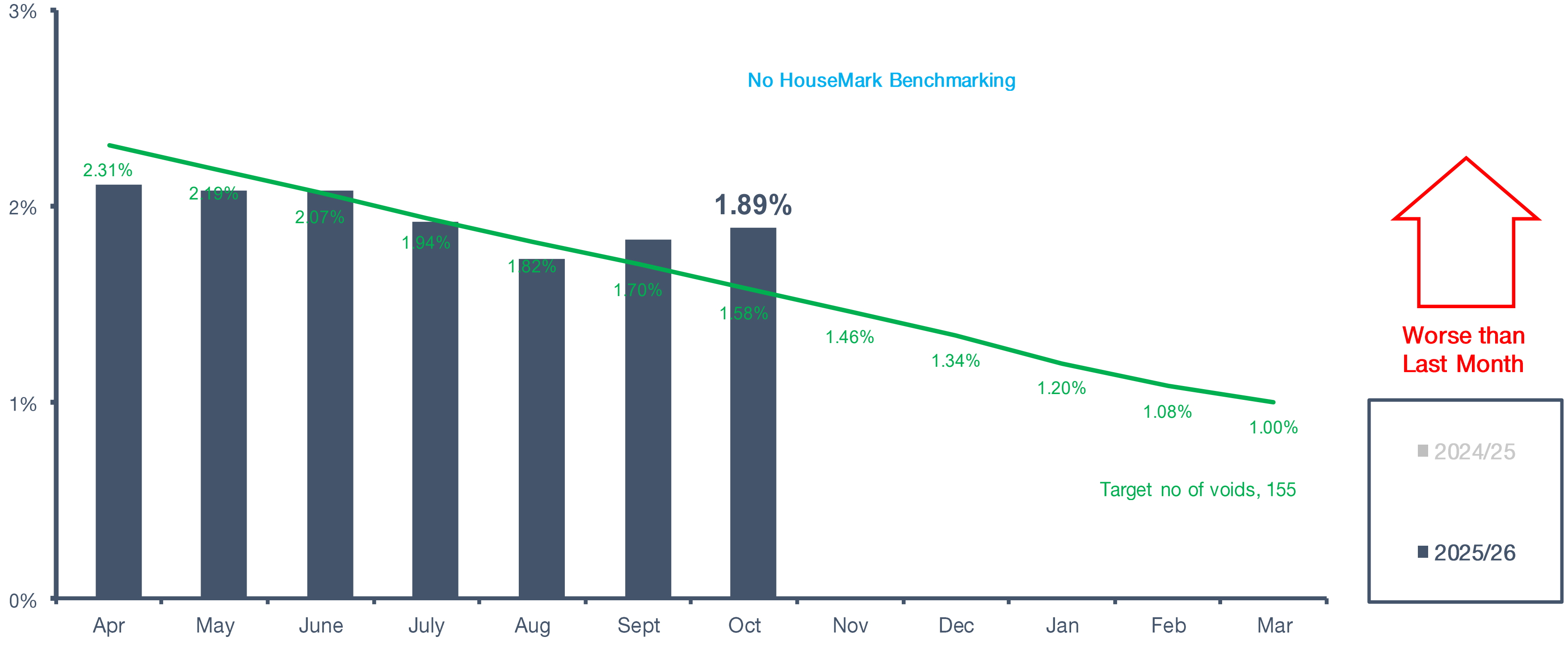

Target	Oct	YTD	2024/25
1.00%	1.89%	1.89%	NEW

Monthly Metrics:	
Total Voids:	299
Stock:	15,804

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- 1% target (155) based on 2024/25 stock number average 15,491. Voids baseline figure 377.

GN and SH voids

At the start of 2025/26, the Housing Service set a target of reducing GN and SH voids to less than 1% of the stock, making the target of reducing voids numbers to 155 by the end of March 2026 based on the 2024/25 stock number average.

The voids figure at the start of 2025/26 was 377 voids and the service has reduced the number of voids to 299 at the end of October.

After several months of being within target, there was a continued increase in new voids received partly due to Tenancy Management audits and terminations processed for evictions; as well as deaths and properties vacated after neighbourhood moves to new build properties.

There was also a decrease in properties marked ready for let due to issues with contractor clearances; properties requiring more significant works; absences within the team.

We are working to address these issues through our ongoing performance management meetings that monitor the weekly internal target for HRS and external target for our contractors and are working with the service to identify any further support that is required.

GNPI 18

% of Emergency (& OOH made safe) repairs completed within timescale

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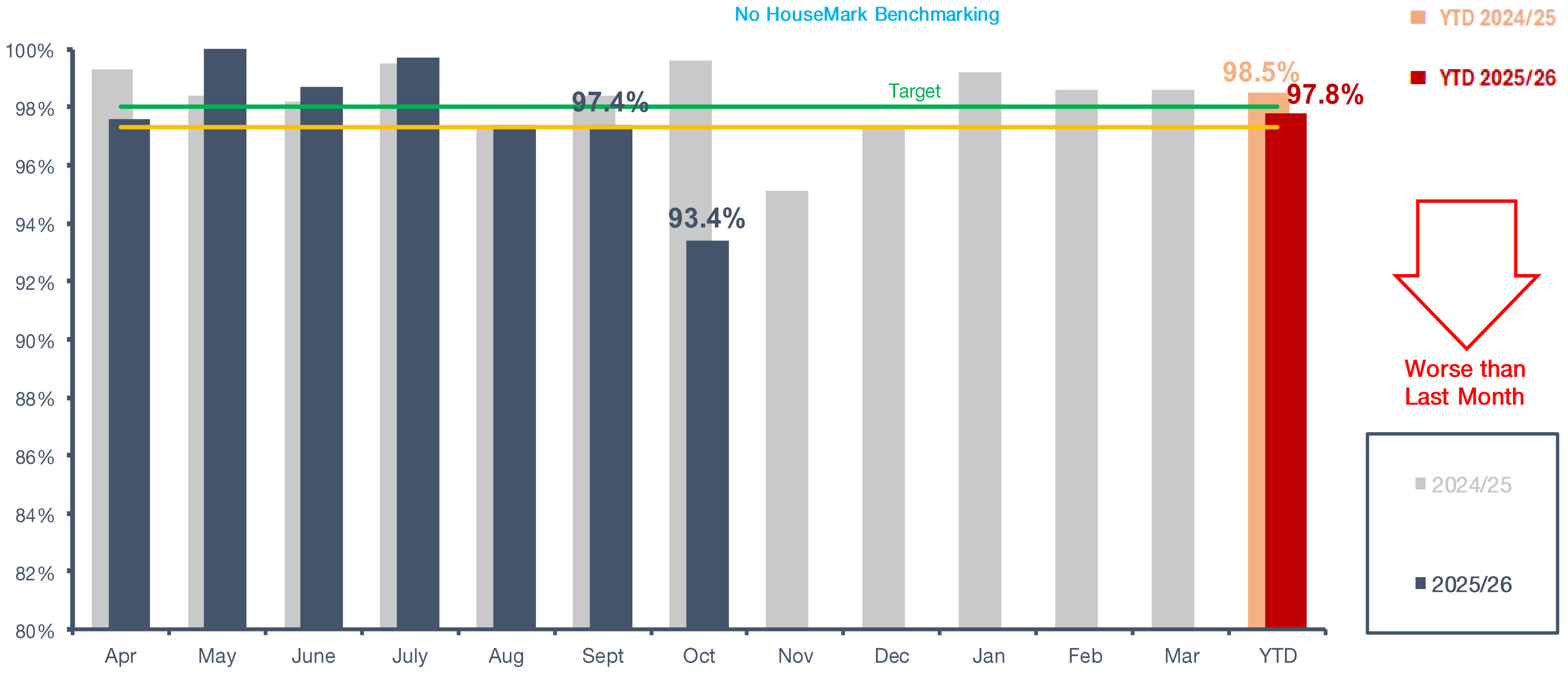
Adults, Housing & Health



Target	Oct	YTD	2024/25
98.0%	93.4%	97.8%	98.5%

Monthly Metrics:	
In Time:	255
No. of Repairs:	273

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- This KPI is assessed as **Red** ragged for the month of October 2025. We have encountered a delay with our contractor returning orders on the system, and this has resulted in repairs being closed later than expected. However, we are confident that emergency repairs are being attended to within the agreed timescales of between 4-24hrs.

Fire Risk Assessments

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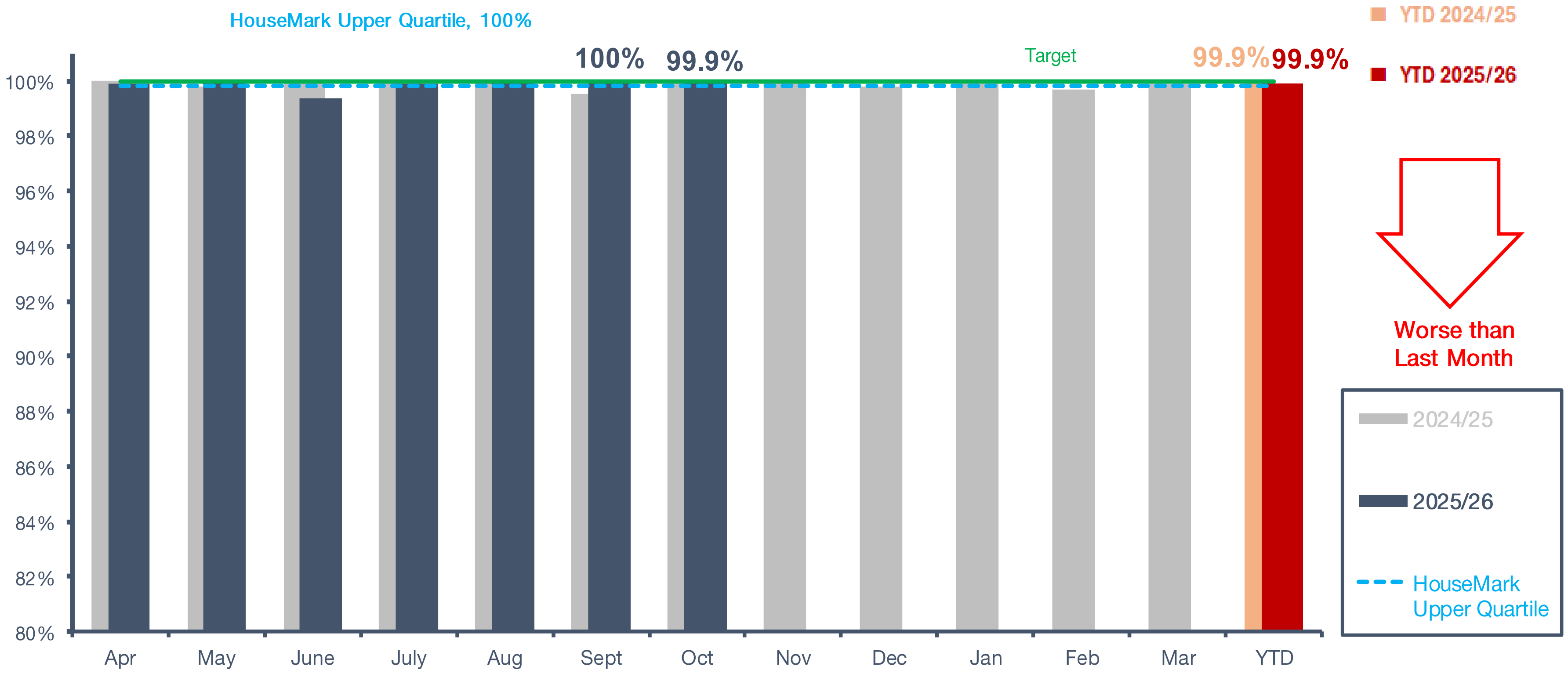

Target	Oct	YTD	2024/25
100%	99.9%	99.9%	99.9%

Monthly Metrics:	
No. Compliant:	1,633
Total FRAs:	1,634

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- This KPI is assessed as Amber ragged for the month of October 2025. Awaiting FRA for 1 x property, not uploaded prior to assessor going on annual leave. FRA expired on 31/10/2025.

GS 01

% of properties with valid gas certificate - Council properties (GN, SH & HOS only)

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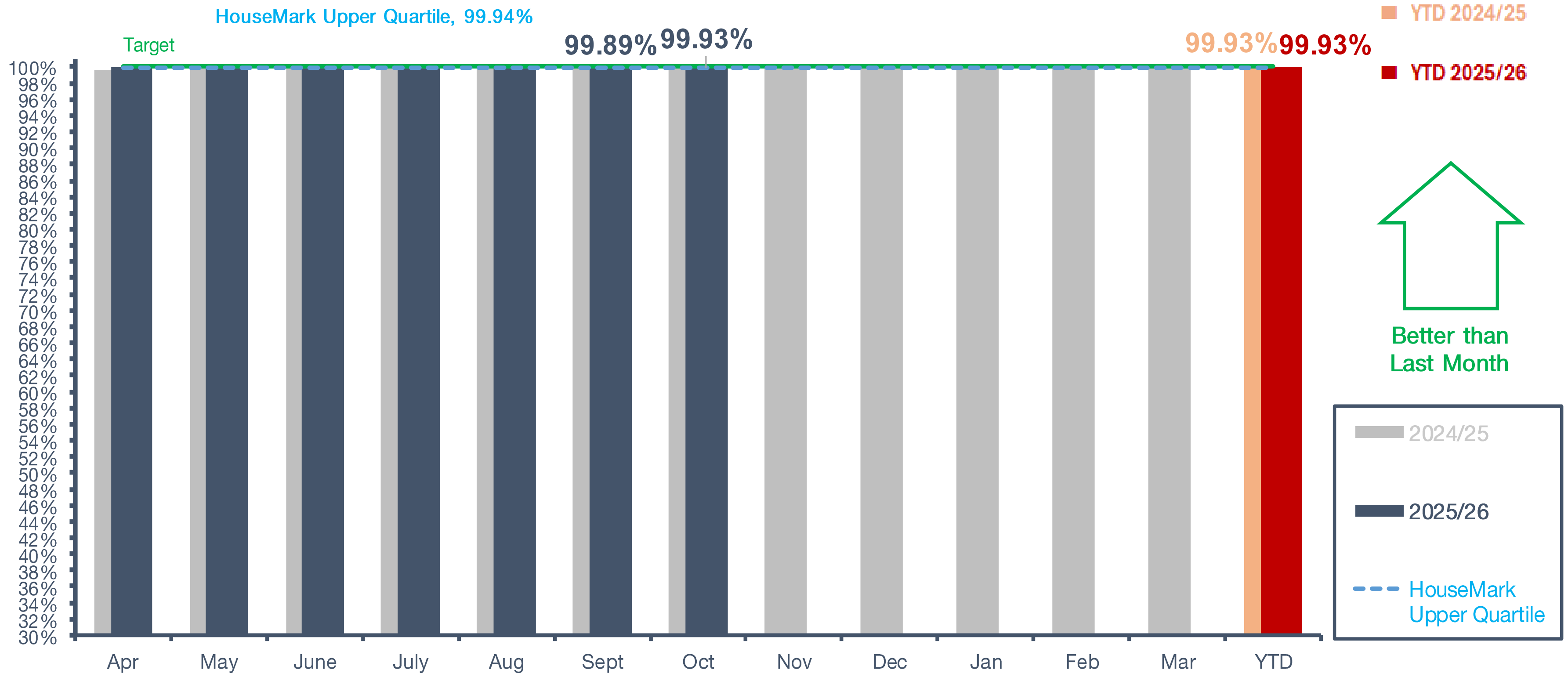

Target	Oct	YTD	2024/25
100%	99.93%	99.93%	99.93%

Monthly Metrics:	
No. Compliant:	13,648
Total:	13,657

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- The KPI has been assessed as Amber ragged for the month of October 2025. A commentary has been provided by the Head of Service on the next slide.

Gas Compliance

As of end of the October 2025, 9 x overdue properties reported out of 14,097.

15 x PSL properties have been handed back to the Landlord.
9 x Council Properties have been sold.
7 x HCBS buyback properties have been added onto gas contract.

3.3

Domestic Electrical Inspection Programme

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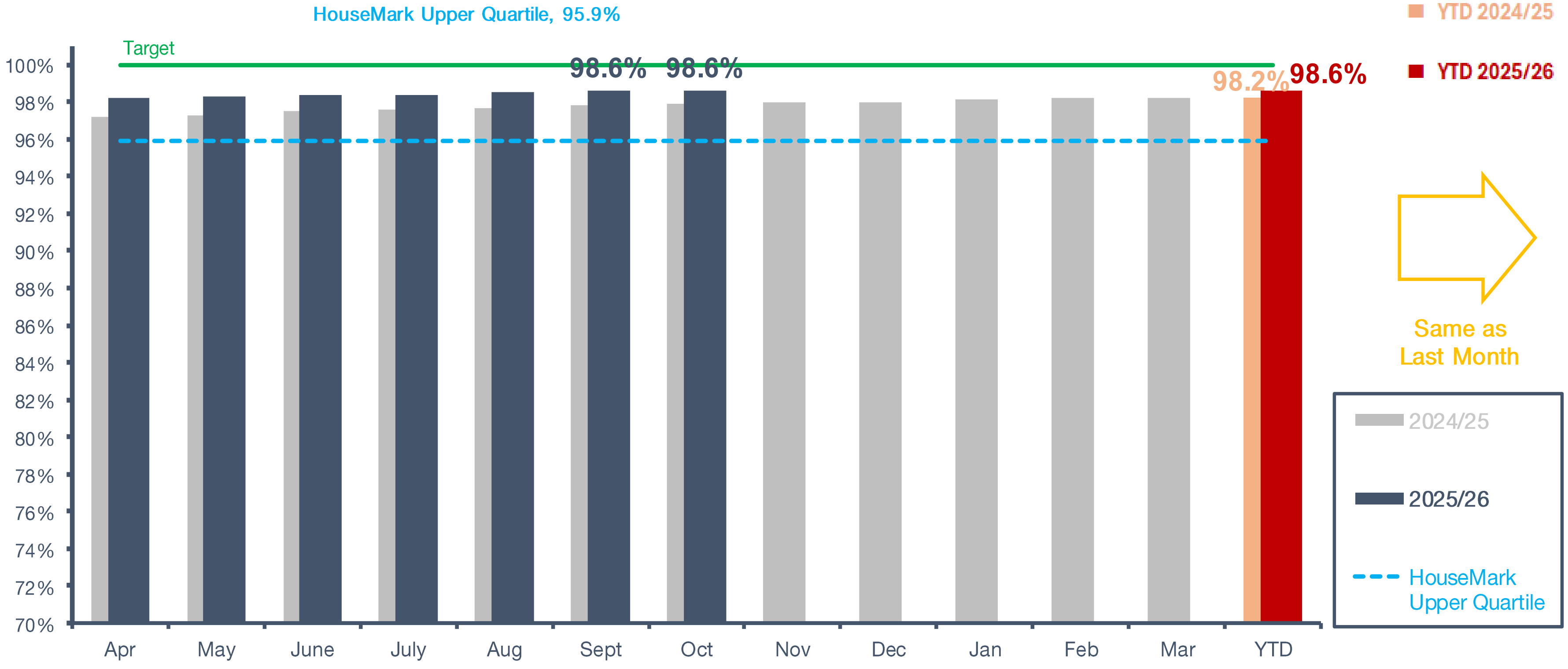

Same as Last Month

Target	Oct	YTD	2024/25
100%	98.6%	98.6%	98.2%

Monthly Metrics:	
No. Complaint:	15,466
Total Required:	15,687

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- This KPI is assessed as Red ragged for the month of October 2025. A commentary has been provided by the Head of Service on the next slide.

Domestic Electrical Inspection Programme

Of the 15,687 Domestic properties (decrease in figures for sold/RTB). As of the end of October 2025 we have 221 properties which do not have a current EICR less than 5-years old, due to failed engagement with the resident and access being made available.

Of those, 221 have an EICR less than 10-years old, 22 having one greater than 10-years old. All have had four letters including an invitation to make an appointment, two timed appointments, two missed appointment cards and a final warning letter. All have been visited by the contractors RLO, have been called and texted, as well as having an urgent contact request fixed to the door. Of the 221 overdue properties, 221 we still have no engagement from the residents despite continued efforts.

19 x addresses have been issued to Legal to prepare warrants applications. All have had a further and final warning letter, prior to finalising the legal packs. Within the above we have identified 110 residents with disabilities or vulnerabilities and are making every effort to work with support services to gain access. We are due to proceed with 19 x properties with the Magistrates' Court, for 19 warrants of entry. Forced entry under warrant will be carried out; we are doing 2 per day.

There are also 802 communal EICRs in our programme, 1 x is non-compliant due to rough sleepers, this is with the door entry team and TM to resolve.

2.6

Number of blocks with a valid Asbestos Survey Re-Inspection (communal areas only)

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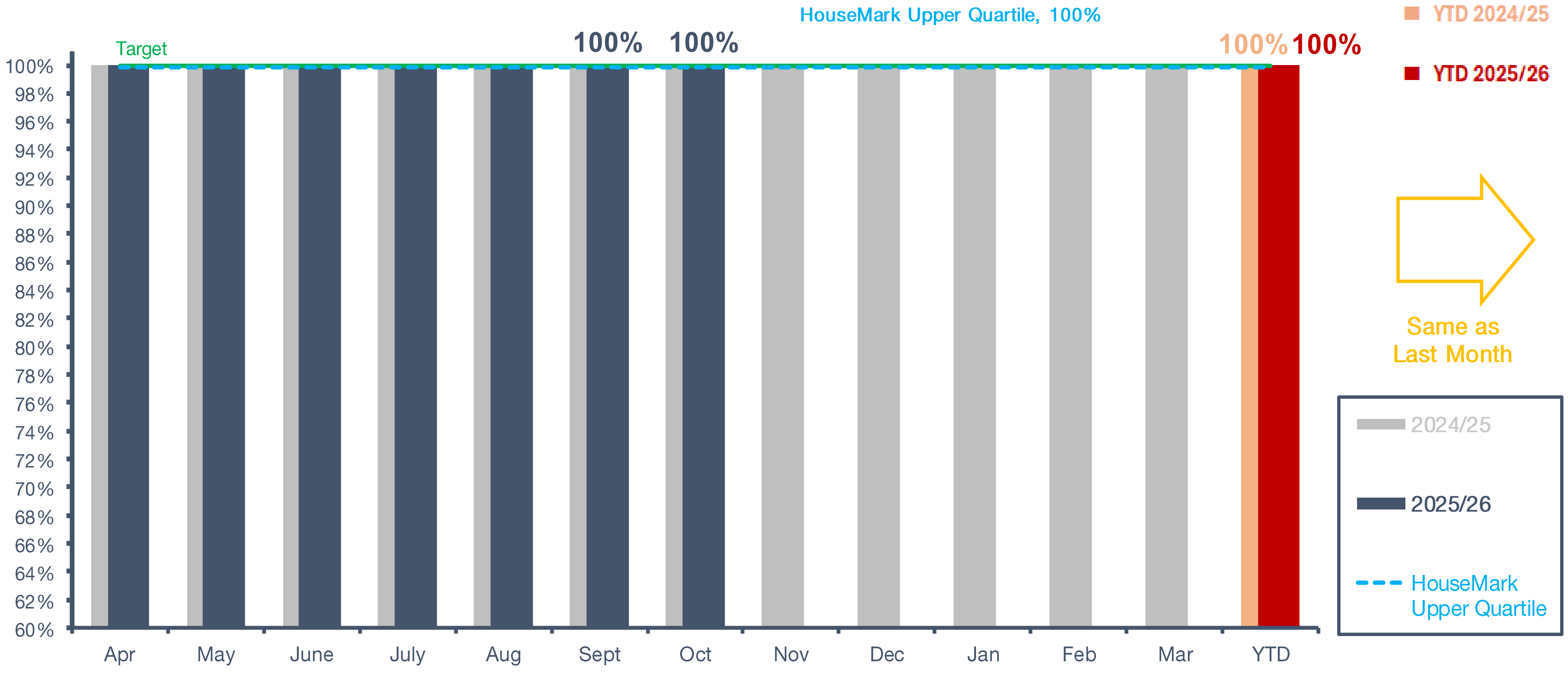

Target	Oct	YTD	2024/25
100%	100%	100%	100%

Monthly Metrics:	
No. Complaint:	1,128
Total Required:	1,128

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- This KPI is assessed as Green ragged for the month of October 2025.

2.7

Passenger lift inspections (LOLER)

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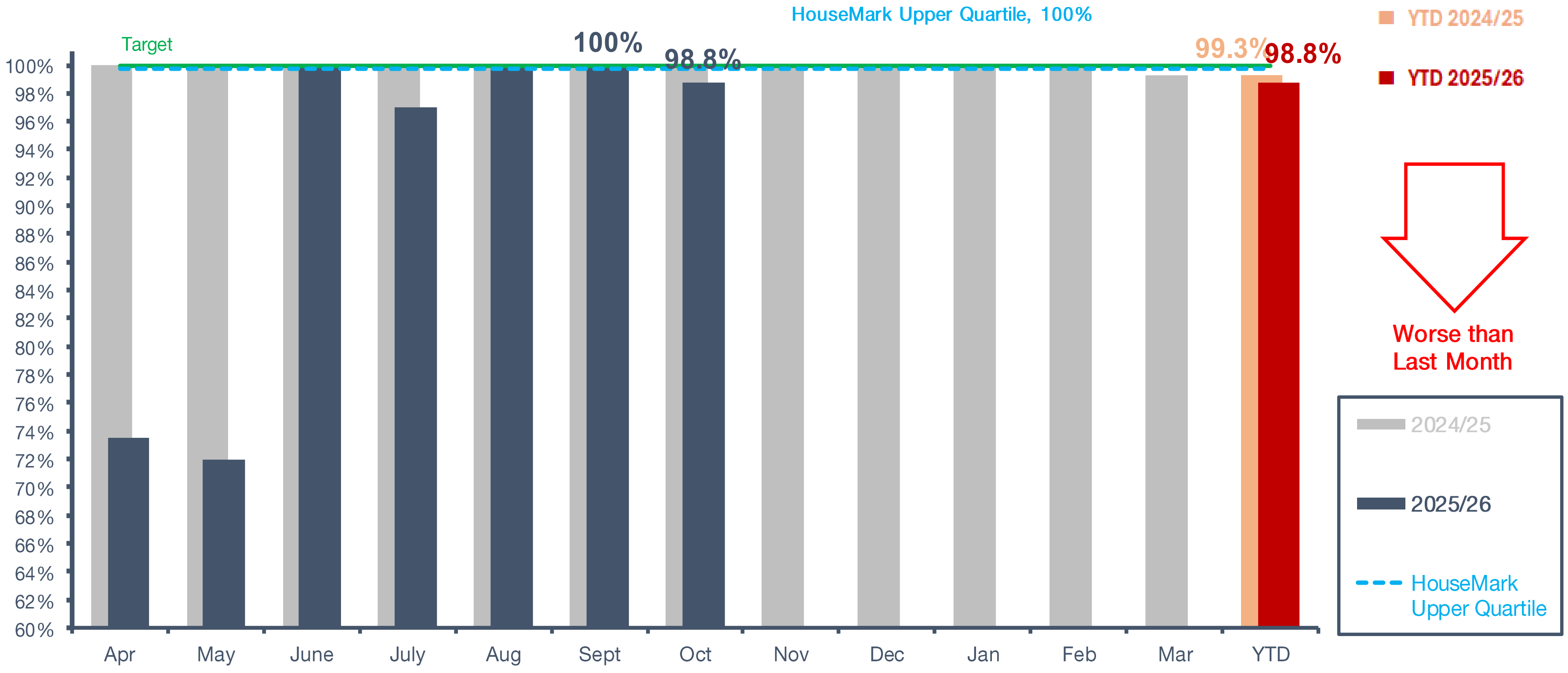

Target	Oct	YTD	2024/25
100%	98.8%	98.8%	99.3%

Monthly Metrics:	
No. Compliant:	164
Total Required:	166

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- This KPI is assessed as Amber ragged for the month of October 2025. Of the 166 due, 2 x Bounds Green Court are currently non-compliant - booked 11/11/2025. This was due to a refurb but have been returned to service and require the LOLER. These lifts have been fully commissioned following the refurb. Asset number dropped by 1 as Broadwater Farm Office has been passed to FM to maintain.

2.9

Class A - Water Hygiene, Large scheme (whole building Risk Assessment)

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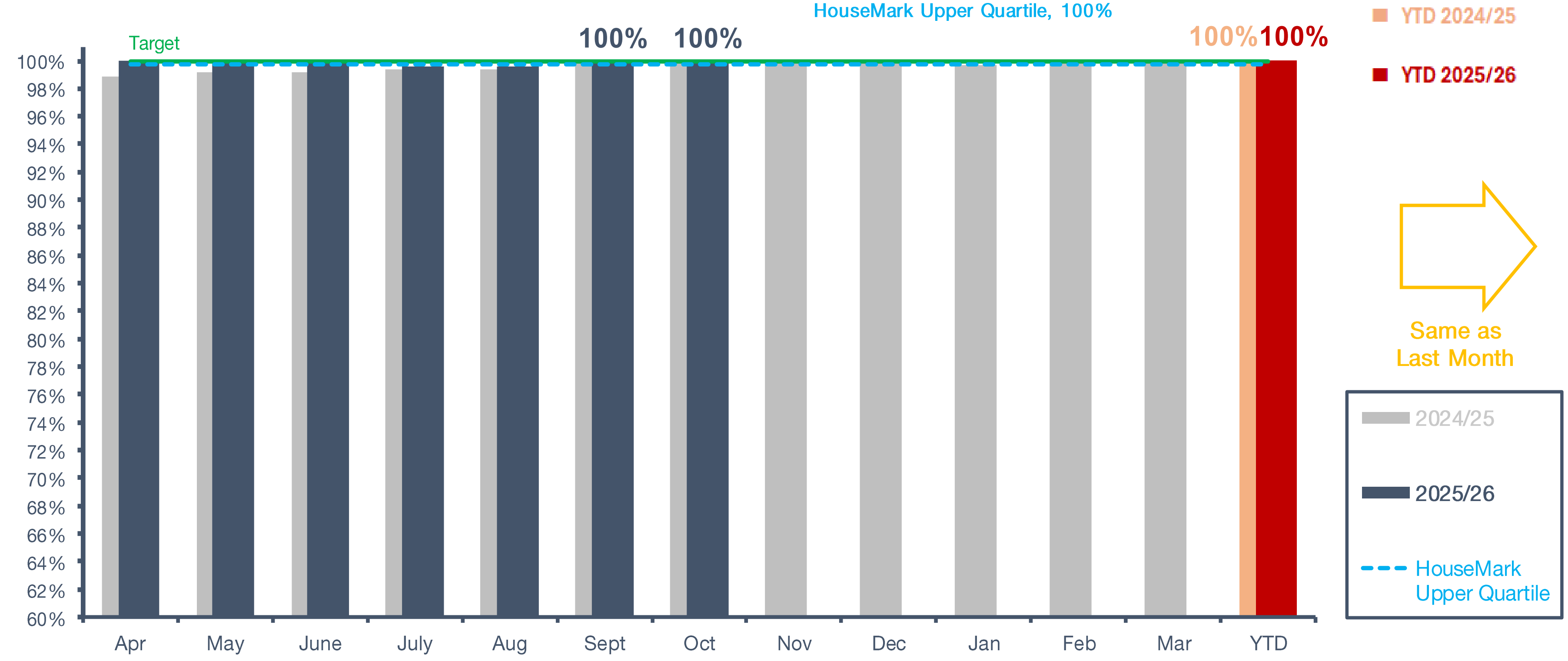

Target	Oct	YTD	2024/25
100%	100%	100%	100%

Monthly Metrics:	
No. Compliant:	274
Total Required:	274

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- This KPI is assessed as Green ragged for the month of October 2025.

BV 66a ex HOS

% of rent and service charges collected (including arrears and excluding water rates) (GN & SH only) **(YTD, not in-month)**

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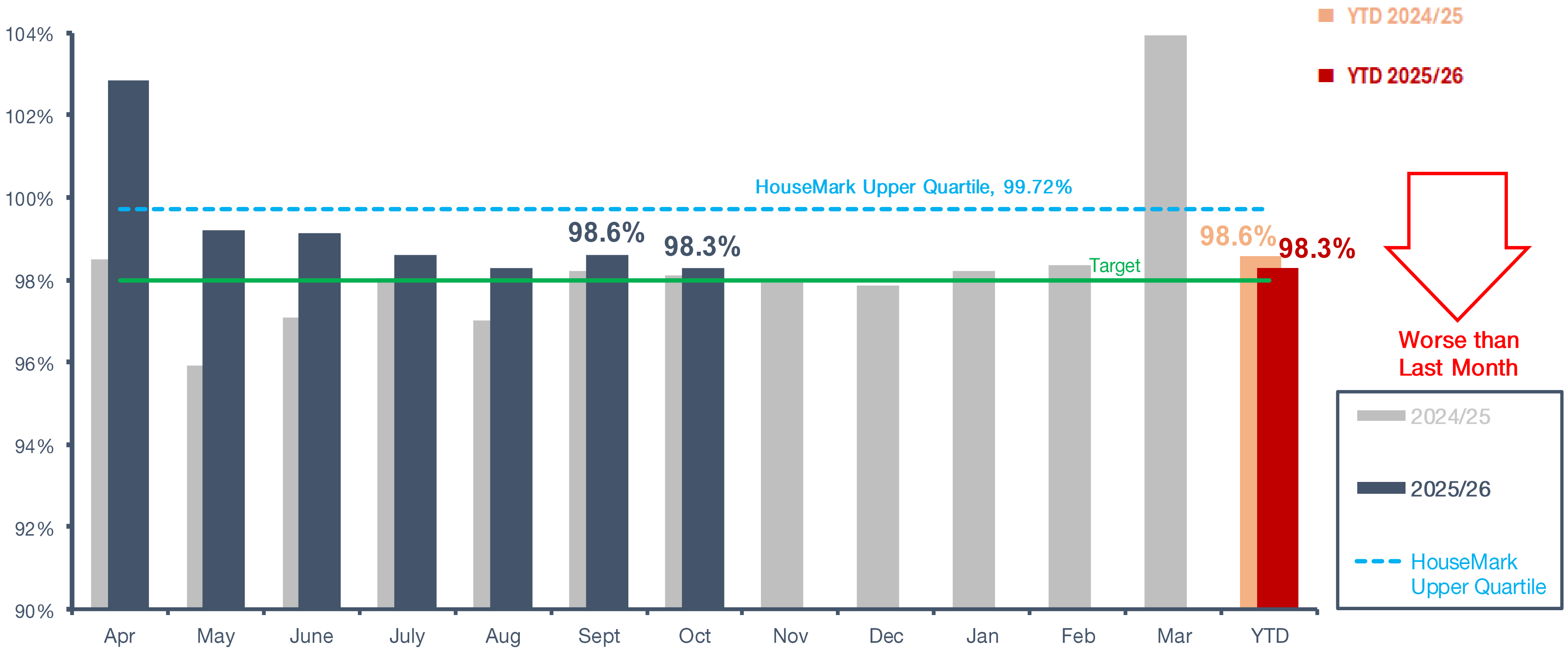

Target	Tolerance	YTD Oct	2024/25
98.0%	97.0%	98.3%	98.6%

YTD Metrics:	
YTD Collected:	£65,954,031
YTD Charged:	£67,117,291

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- This KPI is assessed as Green ragged for the month of YTD October 2025.
- This indicator is measured as a year-to-date outturn (cumulative) not as an in-month collection rate.

The proportion of rent collected for all temporary accommodation (Annexes, Lodges & Council PSLs) **(YTD, not in-month)**

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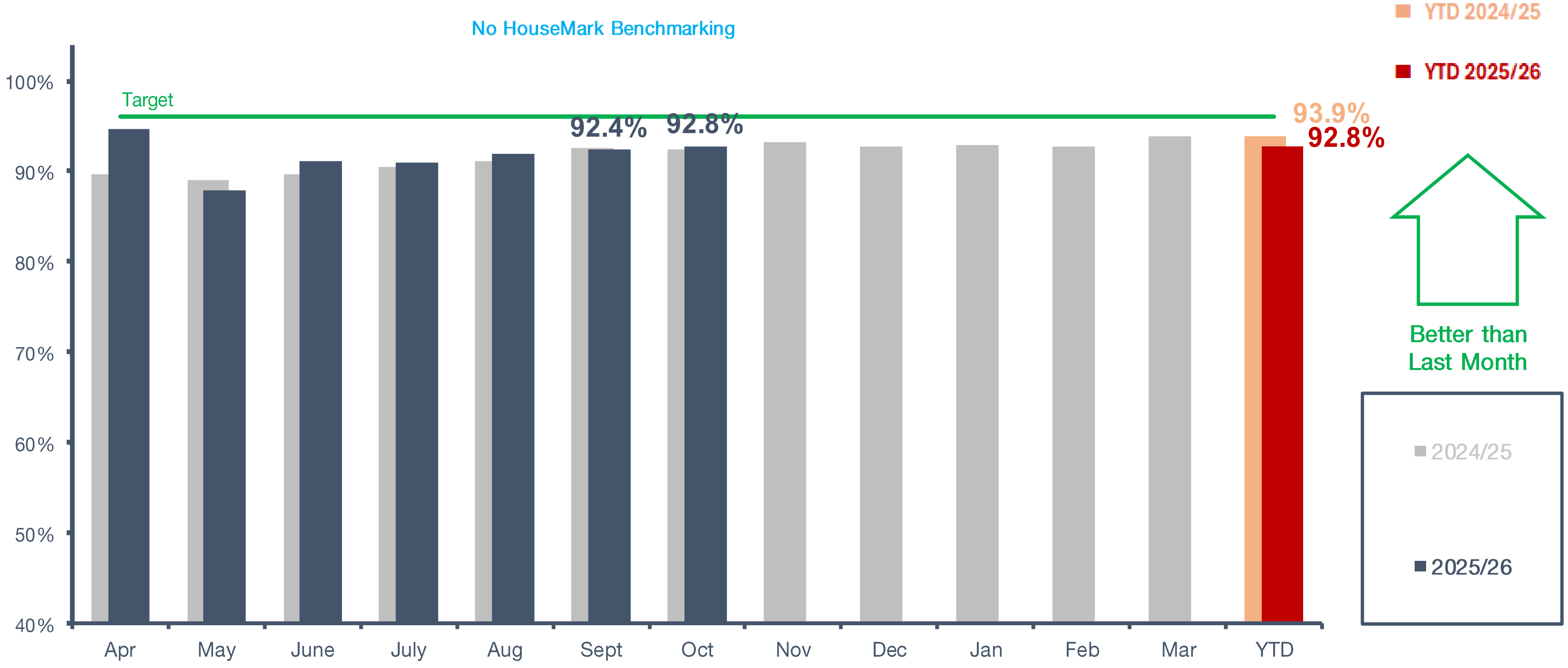

Target	Tolerance	YTD Oct	2024/25
96.0%	Not Set	92.8%	93.9%

Monthly Metrics:	
YTD Collected:	£16,191,892
YTD Charged:	£17,456,102

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- This KPI is assessed as **Red** ragged for YTD October 2025. This indicator is measured as a year-to-date outturn (cumulative) not as an in-month collection rate. An exception commentary from the Head of Service can be found on the next slide.

The proportion of rent collected for all Temporary Accommodation

Service commentary

Improvements in collection are noted.
Recruitment: 1 x Housing Benefit Liaison & Assessment Officer (agency) started on 22/10/25. 1 x Income Management Officer (FTC) started 21/10/25.

Update on Sign up officers

New officers in place and all teams have received refresher training. Some alteration to the editable form was identified as needed. Completion of forms will fully commence on 24th November 2025 with intensive monitoring taking place of outcomes and issues.

Activity in progress to improve performance

Rent patch re-allocation to help us better manage collection activity is still not accurate so Digital Services to support on this. This is work in progress and a temporary arrangement is currently in place.

HO 01

% of day to day Leasehold service charges collected

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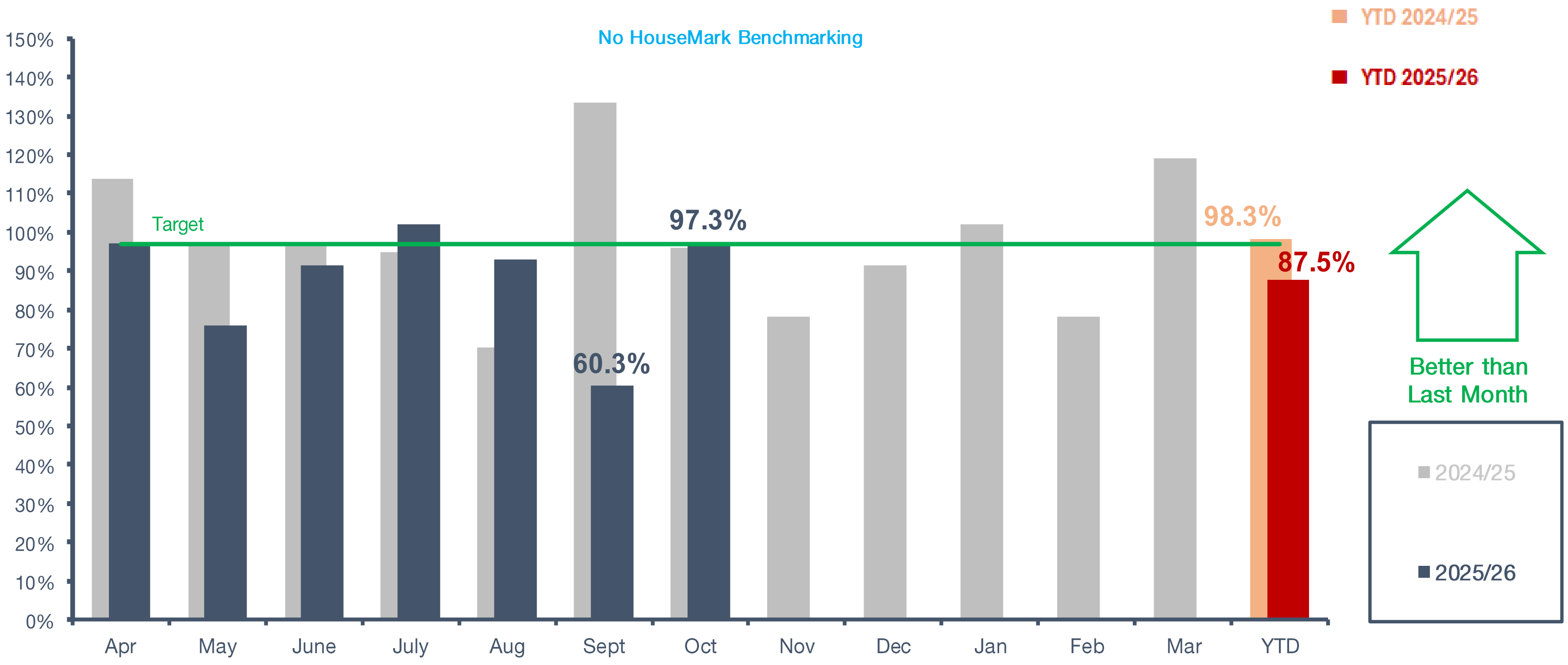

Target	Oct	YTD	2024/25
97.0%	97.3%	87.5%	98.3%

Monthly Metrics:	
Collected:	£1,094,372
Charged:	£1,124,425

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- This KPI is assessed as Green ragged for the month of October 2025.

ES 01

% of estates grades at Excellent or Pass by Estate Services Team Leaders Overall Grade

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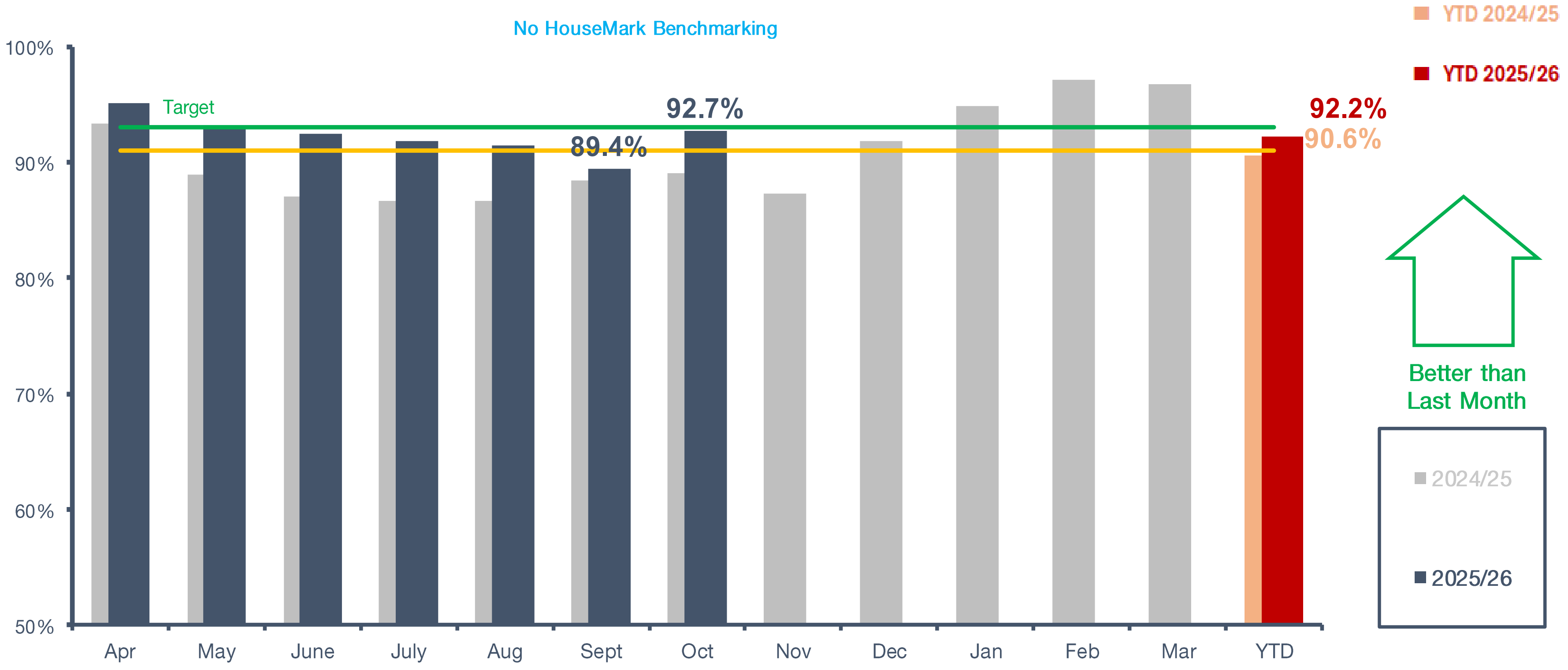

Target	Oct	YTD	2023/24
93.0%	92.7%	92.2%	90.6%

Monthly Metrics:	
Passed:	2,382
Total Graded:	2,569

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- This KPI is assessed as Amber ragged for the month of October 2025.

HM 99

Tenancy Audits (cumulative)

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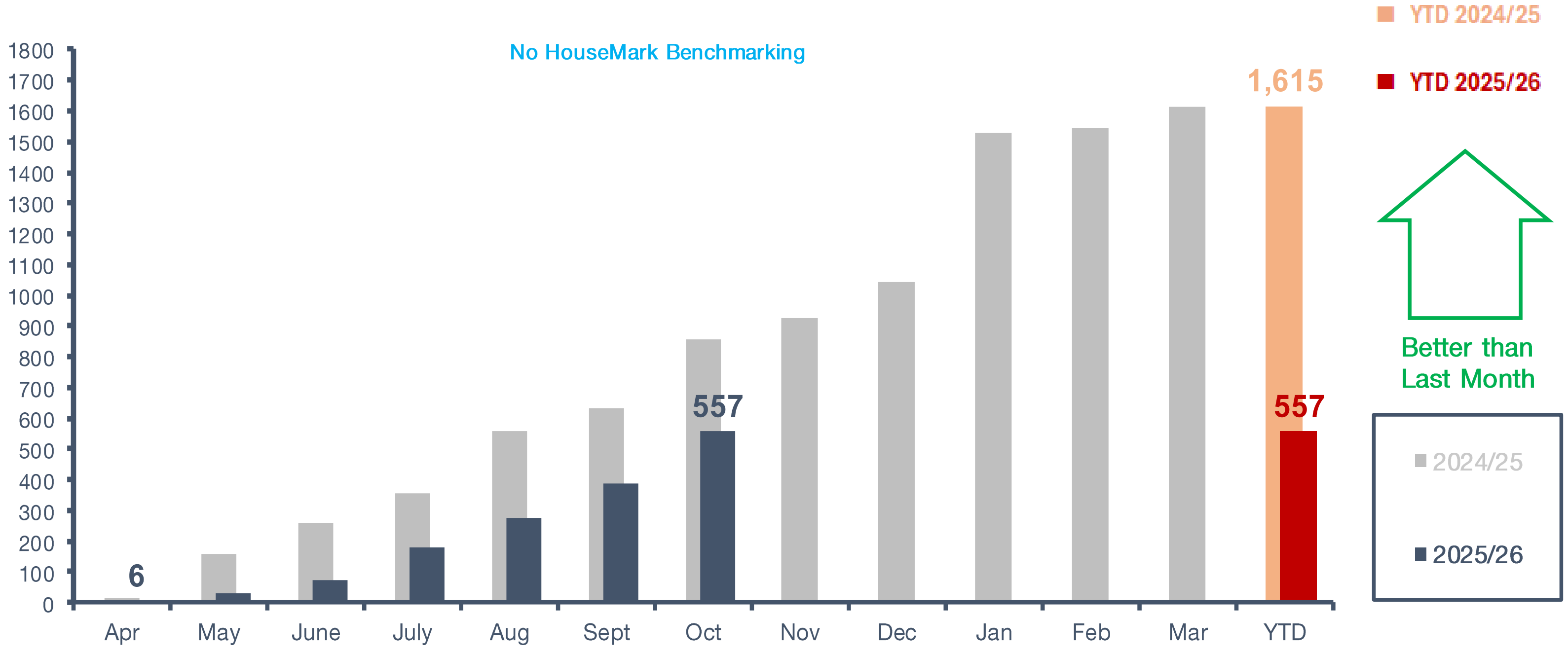

Target	Oct	YTD	2024/25
2,622	557	557	1,615

Monthly Metrics:	
Audits to date:	557
% completed:	21%

Tenancy Audits	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No. Required	218	436	654	872	1,090	1,314	1,533	1,752	1,971	2,190	2,409	2,622
No. Completed	6	33	75	178	278	389	557	0	0	0	0	0

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- Each year, the service will complete the audits until all 15k properties have been audit checked. This represents 2,622 audits needed per year.
- There was an issue with the programme of tenancy audits being loaded late onto NEC. This issue was raised at Housing IT Board and the service have confirmed that the issue has been resolved so improved performance is expected in coming months.

HM 100

Tenancy Activity & Visits (AUD, INTRO, 6 WK, WELF, ASB)

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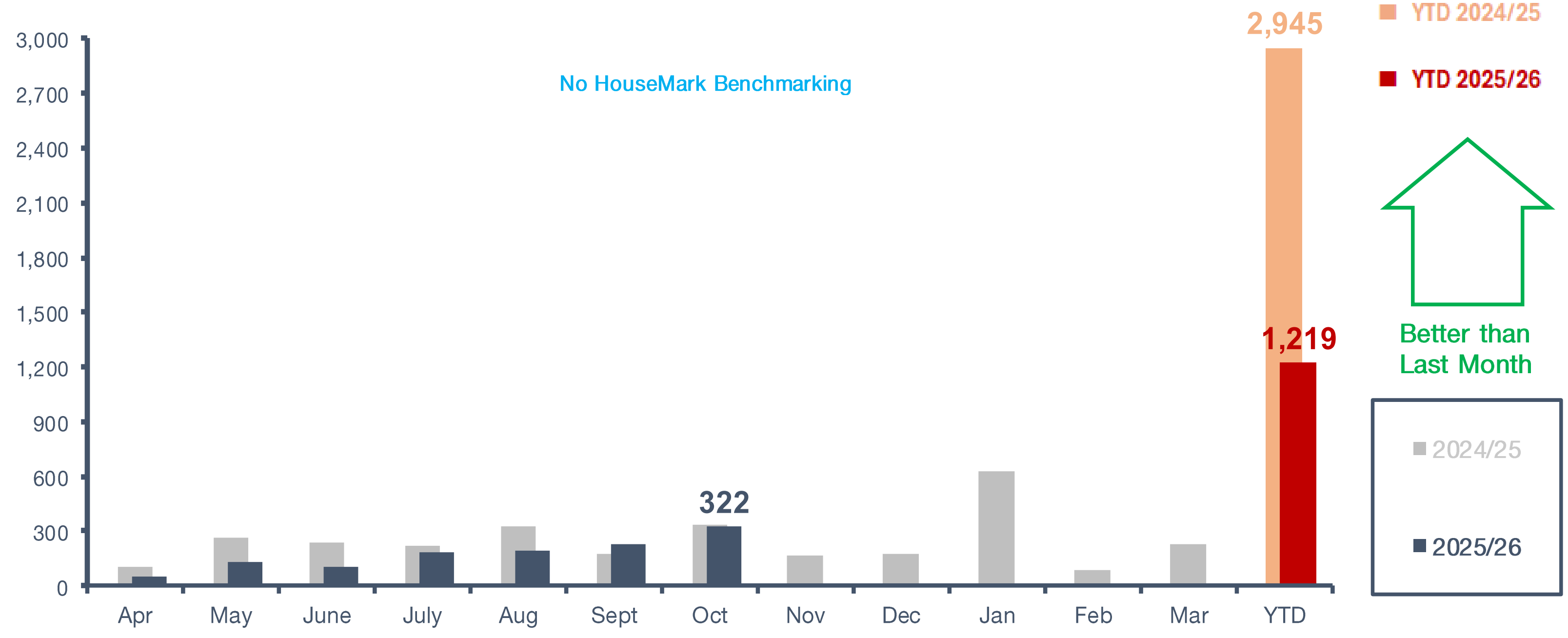

Target	Oct	YTD	2024/25
Not Set	322	1,219	2,945

Tenancy Audits	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Total
No. Completed	50	131	106	188	196	226	322	0	0	0	0	0	1,219

- This is an illustration of Tenancy Management Activities & Visits, which includes Tenancy Audits, Introductory Tenancies, 6-weekly visits, Welfare Checks, Anti Social Behaviour & Person-Centred Fire Risk Assessments.

SPW 03

Fire points Health & Safety Checks

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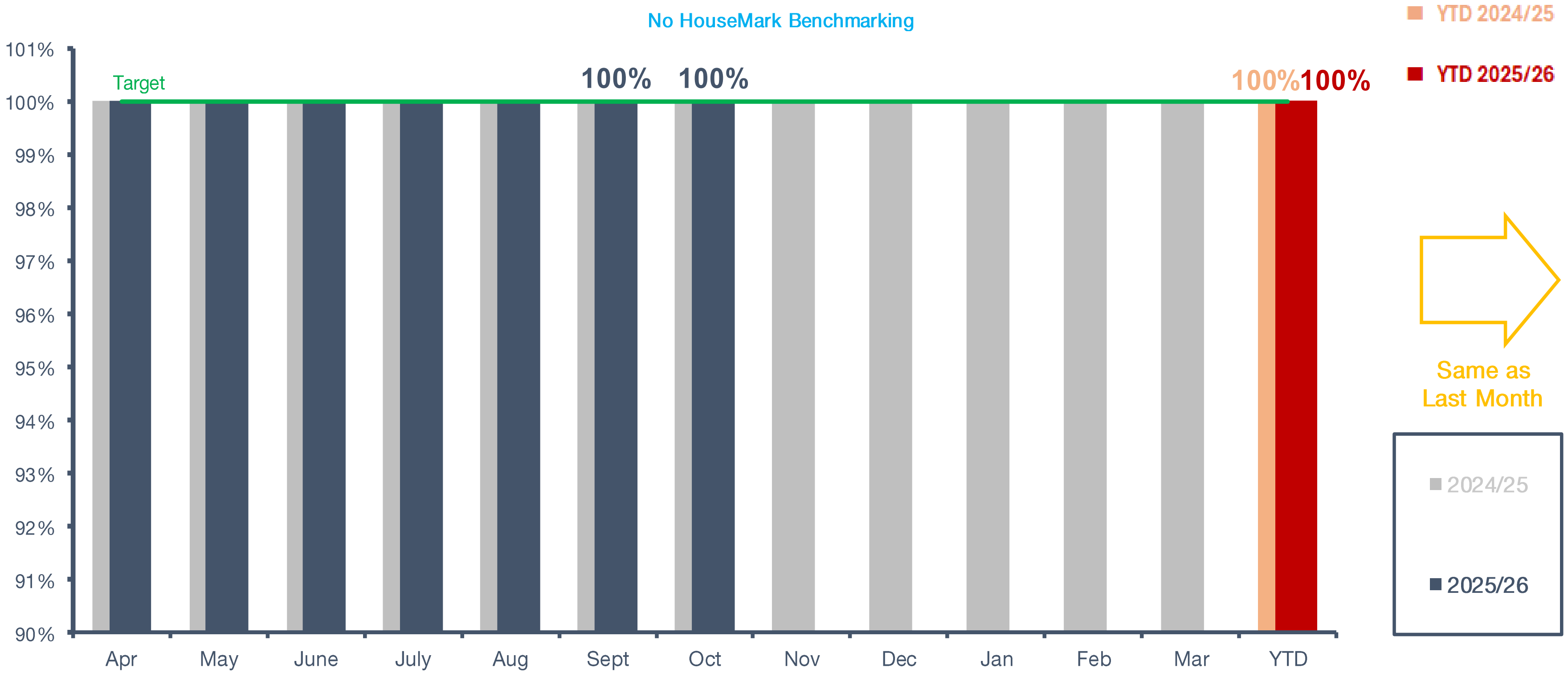

Target	Oct	YTD	2024/25
100%	100%	100%	100%

Monthly Metrics:	
Compliant:	#
Total:	#

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- This KPI is assessed as Green ragged for the month of October 2025.

SPW 04

% of Support Plans in date

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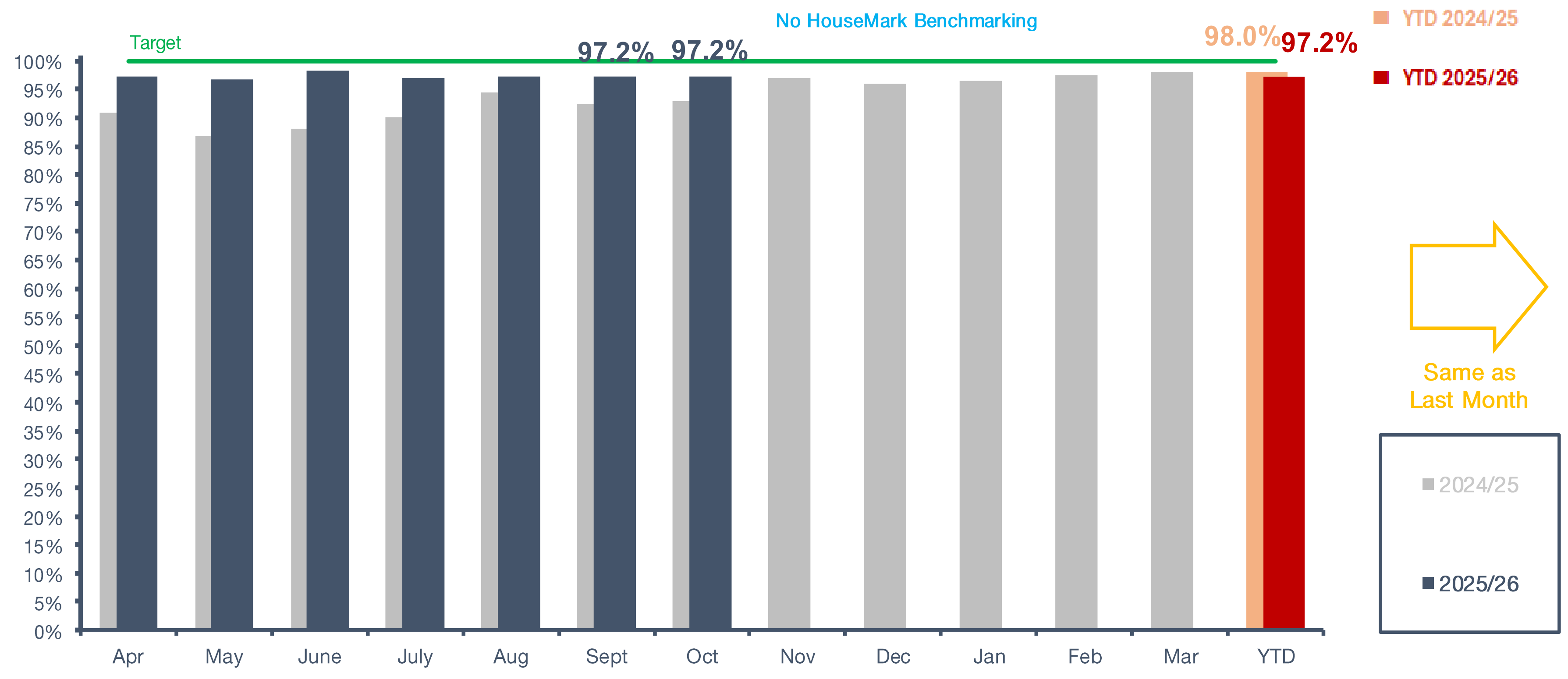
Housing Improvement Team
Adults, Housing & Health



Target	Oct	YTD	2023/24
100.0%	97.2%	97.2%	98.0%

Monthly Metrics:	
Compliant:	#
Total Plans:	#

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- This KPI is assessed as Amber ragged for the month of October 2025.

Report for: Housing, Planning & Development Scrutiny Panel – 15th December 2025

Title: Finance Update – Q2 2025/26

Report authorised by: Ayshe Simsek, Democratic Services & Scrutiny Manager

Lead Officer: Philip Slawther, Principal Scrutiny Officer

Ward(s) affected: All

Report for Key/ Non Key Decision: N/A

1. Describe the issue under consideration

1.1 The report provided sets out the Council's financial position at Quarter 2 of the 2025/26 financial year.

1.2 The report was originally published as part of the agenda papers for the meeting of the Cabinet scheduled for 9th December 2025.

1.3 The Overview & Scrutiny Committee and Scrutiny Panels are considering this report as part of Scrutiny's approach to quarterly finance and performance monitoring. OSC are due to consider this report at their meeting on 10th December.

1.4 The Housing, Planning & Development Panel are asked to review the bits of the budget that are relevant to it, by exception, focusing on areas of significant overspend and the delivery of savings which are RAG rated either red or amber.

2. Recommendations

2.1 That the Panel note the contents of the report, directing any questions they have to officers and the Cabinet Member for Housing & Planning (Deputy Leader).

3. Background information

3.1 Given the Council's challenging financial situation, the terms of reference for Overview and Scrutiny has been updated to allow more prominent focus on budget monitoring and performance. This includes in-year finance and performance monitoring items on a quarterly basis. The Panel considered the Quarter 1 in-year budget monitoring report at its meeting on 23 September.

3.2 The scrutiny of the draft Budget for 2026/27 and the Medium Term Financial Strategy (MTFS) for 2026/27-2030/31 took place through the Scrutiny Panels in November 2025 with recommendations considered by the Overview & Scrutiny Committee in January 2026 before being submitted to the Cabinet.

4. Statutory Officers comments

4.1 Refer to the Finance Update Q2 report (Cabinet report – Section 12) provided for statutory officer comments.

5. Use of appendices

- 2025/26 Finance Update Quarter 2 (report to Cabinet meeting, 9th Dec 2025)
- Appendix 1 - Adults, Housing and Health Directorate Level Forecast including Savings and Capital forecasts
- Appendix 2 – Housing Revenue Account Directorate Level Forecast including Savings and Capital forecasts
- Appendix 3 – Proposed Virements (Revenue and Capital)
- Appendix 4 – Debt Write Off (includes less than £50,000 and greater than £50,000)

Report for: **Cabinet – 9 December 2025**

Title: **2025/26 Finance Update Quarter 2 (Period 6)**

Report Authorised by: Taryn Eves – Corporate Director of Finance and Resources (Section 151 Officer)

Lead Officer: Frances Palopoli – Head of Corporate Financial Strategy & Monitoring

Ward(s) Affected: All

Report for Key/ Non-Key Decision Key

1. Introduction

1.1 This budget report covers the position at Quarter 2 of the 2025/26 financial year including General Fund (GF) Revenue, Capital, Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) budgets. The report focuses on significant budget variances compared to when the budget was set in March 2025.

General Fund

1.2 The Council's financial forecast for Quarter 2 is £23.4m an improvement of £10.7m since Quarter 1. This is a significant positive movement, although welcomed, still represents a forecast overspend of £23.4m with an additional £37m of budgeted spend funded from Exceptional Financial Support (EFS). Improvements totalling £3.8m are seen across some directorates notably Children's, Adult Social Care and Housing Benefits. Most other services are broadly in line with the Quarter 1 forecasts. The real improvement in the Quarter 2 forecast is due to revised forecasts in corporate budgets and external income.

1.3 The forecast overspend is based on the latest available information and current assumptions about demand to the end of the year. Many services are impacted by external factors such as inflation and capacity within particular systems which are harder to accurately predict; housing is notably subject to this which is why the continued focus on reducing reliance on costly nightly paid emergency accommodation is critical. Although numbers across all demand led services remain high, there have been improvements since the last quarter where the number of older adults in a placement has stabilised at a similar level as this point last financial year at 2,059. Overall numbers in temporary accommodation (TA) continue to decrease, as a result of strong performances in both prevention and outflow from Temporary Accommodation (TA).

1.4 There remain a number of potential, unquantifiable risks within the £23.4m such as inflationary pressures, unfunded costs within schools due to falling rolls and additional bad debt provision requirements.

1.5 Since the last report, there has been some additional application of contingency largely for one-off projects which are expected to mitigate or avoid costs. At this point, circa £6m remains unallocated which, if not called on in the second half of the year, will be available to mitigate the final overspend at year end. Any request for contingency is reviewed by the collective Corporate Leadership Team and where appropriate by the Financial Recovery Board. This helps to ensure that decisions on this scarce resource are taken with the widest available background knowledge, there is evidence that funding will mitigate or avoid costs and appropriate prioritisation can take place.

1.6 The Council has implemented additional spend control measures since the last report which includes reduced use of purchase cards, Section 151 scrutiny of all contract and decision reports above £25,000 and also a refreshed governance process by establishing the Finance Recovery Board chaired by the Chief Executive. Since the start of the year, the controls on spend have avoided close to £1m across revenue and capital. Each of these actions help to reduce the final Exceptional Finance Support (EFS) required at year end, which reduces future annual repayment commitments which cost circa £62,000 for every £1m borrowed. The work on rationalising the council's assets also continues, and receipts realised from surplus assets, under government dispensation, can also be used to mitigate the need to borrow to fund overspends.

1.7 Therefore, despite these controls, the Council is still forecast to spend £322.4m on day to day services, of which 72% of service spend is on supporting the most vulnerable through adult services, children's and education and temporary accommodation. There have been notable reductions in spend forecasts in Children's and Adult social care this quarter; the former due to refinements to assumptions on cost of care for children's placements; the latter due to updated income forecasts following a review of all income streams which has reduced the net cost of care package. In terms of capital investment, it is anticipated that £160.9m on capital investment will continue into schools, roads, the environment and its commercial and operation estate.

Dedicated Schools Grant (DSG)

1.8 The Dedicated Schools Grant (DSG**)** forecast at Quarter 2 stands at £3.1m (£2.97m Qtr1) overspend. The pressure remains in the High Needs Block (HNB) which supports provision of delivery to children with Special Education Needs and Disabilities (SEND). This position is £1.5m off the target set out in the Safety Valve agreement, where the programme is expected to bring the HNB back into surplus by March 2028. Increased placement costs and greater complexity of need are driving the increased forecast spend against target and the service are currently undertaking analysis to inform steps to address this overspend.

Housing Revenue Account (HRA)

1.9 At Quarter 2 the Housing Revenue Account is reporting a projected underspend of £514,000 driven by mitigating actions put in place to address the overspends reported in Quarter 1 which includes delays to recruitment. Key risks remain in the areas of disrepair legal cost, rental income recovery and a delay in the delivery of capital works is resulting in a forecast underspend on borrowing costs. Continued focus on recruitment, procurement, and cost control will be essential to managing the year end position and remaining in surplus.

1.10 The underspend is largely from Housing Management (£645,000), mainly from staffing vacancies and reduced emergency hotel accommodation costs. However, future demand from damp and mould casework under Awaab's Law could increase pressures by year end and will be closely monitored. Rental income is under-recovering which will be partly offset by lower capital financing costs from the capital programme slippage. Minor underspends in Asset Management and the Housing Improvement Programme offer further mitigations. There will be a continued focus on recruitment, procurement, and cost control to manage year-end risks remain in surplus.

Capital

1.11 In September 2025, the Council agreed a revised Quarter 1 General Fund capital budget of £184.034m. The revised budget as set out in this report is £180.175m which incorporates Quarter 2 budget adjustments of £3.860m, given current status of projects. Using this revised budget of £180.175m, the General Fund capital forecast spend at Quarter 2 is £160.9m which is £19.2m under the revised budget.

1.12 In March 2025, Council agreed HRA capital budget of £333.767m. This was revised to £341.653 following cabinet approval of carry forward budget of £7.886m from 2024/25. Using this revised budget of £341.653m, The HRA capital forecast spend is £281.944m, which is £59.709m under the revised budget.

1.13 The budget adjustments proposed against the general fund capital programme in Quarter 2 amount to £3.9m. The table below provides an overview of these Quarter 2 budget adjustments and further details are set out in Appendix 8.

Table 1 - General fund capital programme adjustments

Qtr. 2 General Fund Budget Adjustment	(£'000)
Capital budget slippage	(4,906)
External funding recognition	3,923
S106 Funding recognition	167
Budget duplicate deletion	(3,044)
	(3,860)

(i) **£4.9m reduction in Capital Spend Budget.** Capital budget slippage consists of: £1.4m on Asset Management of Council buildings, £1.3m on Your Seven Sisters project, £1.0m on the Wood Green Regeneration projects, £0.9m on the General Fund element of High Road West and £0.3m on Waste Management (deferred utilisation of a DEFRA grant).

(ii) **£3.9m increase in Capital income budget**. External funding recognition mainly consists of: £1.4m revised 2025/26 TFL Local Implementation Plan budget allocation, £0.9m Football Foundation Play Zones funding, £0.7m 2025/26 UK Shared Prosperity Fund (UKSPF); and other minor capital grants and contributions.

(iii) **£3.0m reduction in Capital Spend Budget**. Budget duplicate deletion is in relation to the deletion of budget double counting within the Walking & Cycling Action programmes (3 schemes), Road danger reduction, School streets and Streetspace plan (Low Traffic Neighbourhood) capital schemes. The programmes are a mixture of funding from SCIL and TfL LIP spread over six schemes. The review identified the double count. However, as the schemes are all externally funded, the resolution of the position does not result in additional resources being available.

Finance Response and Recovery Plans

1.14 As a result of the Council's financial position and the reliance on Exceptional Financial Support, Financial Response and Recovery Plans are in place and aimed at taking the necessary action to reduce the reliance on EFS and restore the Council's financial resilience and sustainability. Additional spend control measures have been implemented since the previous report alongside revised governance arrangements and programme support. Close to £1m spend has been avoided in the first two quarters of the year and progress continues to be made against the actions in the agreed plans. Further details can be found in Section 7 and Appendix 10 of the report.

2. Cabinet Member Introduction

2.1 This report provides an update of our financial position for Quarter 2 of 2025/26. While the report still shows an overspend on the general fund of £23.4m, it is encouraging that this has reduced since the Quarter 1 update brought to Cabinet. Of specific note is that there is an improved position in both Adult social care and Temporary Accommodation: the two services with the greatest pressure.

2.2 Officers are working across the council, to examine and reduce the amount we spend. While the measures in place have reduced spend, the definition of what is essential may need to be revised going forward.

2.3 The Housing Revenue Account (HRA) is affected by the rising cost of repairs and associated works including damp and mould and disrepair cases. The increased investment is necessary to bring our homes up to standard, so that all our tenants and leaseholders live in homes that are well maintained and comfortable. A place they are proud to call home.

2.4 Our capital programme is under constant review to reduce the revenue costs of borrowing – and a number of projects have been paused. However, our priority capital investments are continuing – especially where they save us revenue costs in the long-run. We will continue to build new council homes – creating affordable homes that our residents need and reducing the costs that unaffordable housing causes for other public services.

2.5 Despite all the measures we have and are putting in place, the level of need does not match the funding we have. We recognise the uplift in funding that the new government has provided to Haringey – and that they were never of course going to be able to reverse a decade and a half of austerity overnight. But we continue to lobby and to make the case for fair funding for boroughs such as ours.

3. Recommendations

Cabinet is recommended to:

3.1. Note the forecast total revenue outturn variance for the General Fund of **£23.4m** comprising **£14.72m** base budget pressures and **£8.7m** non delivery of savings delivery. (Section 6, Table 2 and Appendices 1 to 7).

3.2. Note the net DSG forecast of £3.1m overspend. (Section 6 and Appendix 1).

3.3. Note the net Housing Revenue Account (HRA) forecast underspend is £514,000 (Section 6 and Appendix 7).

3.4. Note the forecast General Fund and HRA Capital expenditure of £441.4m, which equates to 85**%** of the total 2025/26 quarter two revised budget position. (Section 9).

3.5. Approve the revenue budget virements and receipt of grants as set out in Appendix 8.

3.6. Approve the proposed budget adjustments and virements to the capital programme as set out in Table 5 and Appendix 8.

3.7. Note the debt write-offs approved in Quarter 2 2025/26 which have been approved by the Corporate Director of Finance and Resources under delegated authority, or for those above £50,000, by the Cabinet Member for Finance (Appendix 9) as set out in the Constitution.

3.8. Note the Finance Response and Recovery Plans and progress against actions as at Quarter 2 (Appendix 10).

3.9. Note the decision not to participate in the 8 Authority Pool during the 2026/27 financial year taken by the Director of Finance and Corporate Resources, following consultation with the Lead Member for Finance and Corporate Services.

4. Reason for Decision

4.1 A strong financial management framework, including oversight by Members and senior management is an essential part of delivering the council’s priorities as set out in the Corporate Delivery Plan and to meet its statutory duties. This is made more critically important than ever because of the uncertainties surrounding the Council’s challenging financial position, which is being impacted by Government funding, high demand for services, particularly for the most vulnerable and the wider economic outlook. This is creating an ongoing reliance on Exceptional Financial Support.

5. Alternative Options Considered

5.1 The report of the management of the Council’s financial resources is a key part of the role of the Corporate Director of Finance and Resources (Section 151 Officer) in helping members to exercise their role and no other options have therefore been considered. The remainder of this report and the accompanying appendices sets out the current forecast budget position in more detail.

6. General Fund Revenue Outturn and Un-forecast Risks & Issues

Forecast Revenue Outturn

6.1. Table 2 below sets out the end of year financial forecast as at Quarter 2 for services against the revised budget which reflects virements transacted during the year and Corporate overheads. These are presented by directorate and illustrate where variances are a result of pressures on the base budget or from the non-delivery of anticipated savings in the year. The forecast of the Dedicated Schools Grant (DSG) and the Housing Revenue Account (HRA) is also shown to provide the overall Council position.

6.2. The forecast directorate overspend has improved to £26.3m from the £30.1m reported in Quarter one. Although the most significant areas of overspend continue to be seen in the demand led services (Adult Social Care, Children's and Housing Demand), each of these have shown downward movements since the last report, in total a reduction of £3.2m.

6.3. This improvement has been offset by the need to recognise an unbudgeted need for additional bad debt provision. An estimated figure of £3.9m has been included in the forecast this quarter but further due diligence is being undertaken and there is a risk that this figure may need to be increased by Quarter 3.

6.4. The Quarter one overspend in property related services of £4.3m has increased to £4.6m. Work continues with the longer term plans as well as short term options to mitigate the spend pressures and income collection shortfalls. A bid for one-off contingency resource has been agreed to build capacity to recover outstanding commercial property related debt and collect additional income expected following lease and rent reviews.

6.5. Following rigorous work undertaken by the Benefits team to improve quality within the administration of housing benefits it is expected that full subsidy will be claimed for official error overpayments created in 2025/26. This has improved the position by £775k. This is a direct result of a reduction in the number of official error overpayments being created, alongside revised guidance from the Department for Work and Pension (DWP) about the reclassification of historical overpayments. Following engagement by officers in the Benefits team with the DWP in respect of historic overpayments and subsidy loss calculations alongside the subsequent reclassification, the council is also now able to claim for a further £1.56m for overpayments created in 2024/25 but it is not clear yet on when this additional funding will be received.

6.6. The Benefits budget does however remain under pressure from partially subsidised statutory supported accommodation payments, which are estimated to be £1.14m, and the reduction of overpayment income from both repayments and government subsidy continues to reduce due to the migration to Universal Credit.

6.7. Finally, the Benefits team remains under significant workload pressures due to a high volume of work needing to be processed. A one off use of contingency has been agreed to target the backlog and ensure that changes to claimants' circumstances are processed as quickly as possible.

6.8. Detailed forecasts have been undertaken since Quarter 1 on both Treasury and Capital financing budgets. A commissioned review by external advisors last year made recommendations to amend the approach to historic minimum revenue provisions (MRP). These recommendations were not included in the revised capital strategy and programme agreed by Full Council in March and therefore has resulted in a £2m underspend against budget to be forecast.

6.9. The existing Treasury Management Strategy Statement (TMSS) also agreed in March included assumptions about in year bank interest rates and capital expenditure. Now halfway through the year, these assumptions have been tested against actual spend to date and forecasts to the end of the year. As capital expenditure is now expected to be lower than budgeted, £3.4m underspend is forecast; £1.7m in relation to interest repayments and £1.7m in interest income as cash balances fir investment are higher than forecast.

6.10. The Corporate Director of Finance and Corporate Resources has undertaken a detailed review of the current reserve balances over the last few months. This work is largely completed and should enable some funds to be released before year end to offset the current overspend. The final figure will be included in the Quarter 3 report.

6.11. A mid year review of arrears across all key income streams has also taken place. Most service areas have determined either that existing provisions are adequate or have already included an estimate of increased value in the Quarter 2 forecasts. However, largely because of the on-going cost of living pressure on residents and businesses, a holding figure has been added to the corporate budgets to cover any as yet un-forecast provision needed across the second half of the year.

6.12. Finally, £5.2m of prior year unbudgeted collection fund surplus' has now been built into the year end forecast.

6.13. In total, £6.9m of the improved forecast relates to corporate budgets. To date circa £3.5m of the corporate general contingency has been allocated in Quarter 2 leaving a remaining balance of around £6m which at year end, which if not utilised would offset the final outturn position.

Table 2 – Revenue Budget Monitoring Forecast for Quarter 2 2025/26

Management Area	Revised 2025/26 Budget	Total Full Year Forecast	Base Budget (over/under-spend)	Non Delivery of Savings	Q2 Total Variance	Q1 Total Variance	Movement Q1 to Q2
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's Services	78,673	81,659	466	2,521	2,987	4,094	(1,107)
AHH Director of Adult & Social Services	105,247	110,956	4,702	1,008	5,710	7,561	(1,851)
AHH Housing Demand	28,385	39,620	11,235		11,235	11,430	(195)
AHH Director of Public Health							
Environment & Resident Experience	17,341	18,367	1,276	(249)	1,027	1,085	(58)
Environment & Resident Experience HB	1,829	2,131	302		302	1,077	(775)
Culture, Strategy & Communities	12,598	13,017	183	236	419	494	(75)
Finance and Resources	2,133	6,747	4,613		4,613	4,310	303
Directorate Service- Total	**246,205**	**272,497**	**22,776**	**3,516**	**26,292**	**30,051**	**(3,759)**
Capital Financing Charges	22,293	20,259	(2,034)		(2,034)		(2,034)
Contingency	9,285	14,473	(1)	5,189	5,188	5,189	(1)
Treasury Management Charges	17,350	13,900	(3,450)		(3,450)		(3,450)
Other Corporate Budgets	35,595	34,345	(1,251)		(1,251)	(1,155)	(96)
Bad Debt Provision		3,900	3,900		3,900		3,900
Exceptional Finance Support	(37,020)	(37,020)					
Corporate Budgets - Non Service Total	**47,503**	**49,857**	**(2,835)**	**5,189**	**2,354**	**4,034**	**(1,680)**
General Fund-Directorate Service & Non-Service	**293,708**	**322,354**	**19,941**	**8,705**	**28,646**	**34,085**	**(5,439)**
External Finance	(293,707)	(298,930)	(5,223)		(5,223)		(5,223)
GENERAL FUND TOTAL	**1**	**23,424**	**14,718**	**8,705**	**23,423**	**34,085**	**(10,662)**
DSG	()	3,067	3,067		3,067	2,974	93
HRA	(1)	(515)	(514)		(514)	574	(1,088)
HARINGEY TOTAL	**()**	**25,976**	**17,271**	**8,705**	**25,976**	**37,633**	**(11,657)**

Progress against 2025/26 Savings

6.14. The 2025/26 budget agreed by Council on 3 March included planned savings of £29.3m. It is forecast that £23.0m (78%) of savings are expected to be delivered and £14.9m (45%) savings remain ragged Amber or Red.

6.15. Through the Financial Recovery Plan, stronger controls for monitoring and reporting on the delivery of all savings have been implemented. This includes additional reporting and challenge around delivering the agreed changes, regular review by the Financial Recovery Board and more focused support as larger cross cutting savings are now being governed and delivered as Category A projects. The Council needs to be in a position that all savings agreed each year are delivered in full and progress continues to be reported to Corporate Leadership Team (CLT) monthly.

6.16. A summary of progress by Directorate/Service is shown in Table 3 below which is based on a weighted analysis of the projected savings to date. A more detailed analysis of delivery against the £29.3m can be found in the Directorate Appendices 1-7.

Table 3 - Total Savings and Management Actions Delivery

Directorate	2025/26 FY Savings £'000s	2025/26 YTD Savings Delivery £'000	2025/26 Projected Full Year Savings £'000s	2025/26 Shortfall	Green	Amber	Red
Adults, Housing & Health ASC	-3,963	-20	-2,955	-1,008	-2,230	-1,333	-400
Adults, Housing & Health HD	-3,438	-101	-3,438	0	-3,438	0	0
Adults, Housing & Health PH	-295	0	-295	0	-295	0	0
Children's Services	-3,065	0	-544	-2,521	-150	-100	-2,815
Environment and Resident Experience	-5,417	-758	-5,666	249	-2,365	-125	-2,927
Environment and Resident Experience (CTRS)	-2,000	-4,400	-4,400	2,400	-2,000	0	0
Finance & Resources	-3,329	0	-3,329	0	-3,329	0	0
Culture, Strategy and Communities	-1,791	0	-1,555	-236	-1,465	-90	-236
CEO	-250	0	-250	0	-250	0	0
Cross Council _ to be allocated	-5,749	0	-560	-5,189	-460	0	-5,289
Total	**-29,297**	**-5,279**	**-22,992**	**-6,305**	**-15,982**	**-1,648**	**-11,667**

Cross Council Saving Initiatives

6.17. The savings programme includes a number of council-wide initiatives. These include 5% workforce spend reductions factored into directorate savings budgets and £5.7m currently held corporately as work is still ongoing to identify the service budgets where these savings will be realised. These mainly include:

- £3.2m Commissioning Procurement and Contract Management
- £1.0m Enabling Services
- £1.29m Commercial Income.
- £360,000 Service Modernisation

More detail on these savings is set out below.

5% Workforce Savings

6.18. The 2025/26 budget for staffing costs is £186m which reflects the agreed 5% reduction equating to £8.5m. Most services are on track to deliver by the year end with the exception of children's services and Environment and Resident Experience where alternative mitigations will need to be identified. There are however, risks on delivery in other areas and these are highlighted within the individual service appendices. There is no single approach and services are using a range of tools, including:

- Restructures to reduce the number of posts, including senior management.
- Reduce spend on agency staff.
- Holding vacancies for non-essential roles.

In addition, there are tighter controls on recruitment of non-essential roles through the Recruitment Panel. The latest People Report indicates that these measures are having an impact on staffing numbers, particularly agency staff, which fell by 170 between September 2024 and June 2025, reducing the annual sum spent on agency staff by more than £10m to £22.7m annualised cost. Appointments of permanent staff also slowed down with the result that the total size of the workforce across permanent and temporary staff fell slightly by 1.6%. It is important that the focus to date is maintained to ensure full delivery of the committed staffing savings and to help mitigate the forecast overspend. Further updates will be provided in the Quarter 3 report.

Enabling Services

6.19. A review of all enabling services is underway to reduce spend on staffing across all services. This will develop new delivery models that will reduce duplication across services and ensure efficient support to all frontline services across the organisation. The first service to be reviewed is 'project management' resource and there is now a pipeline of similar reviews planned over the next two years, including, finance, HR, business support, procurement, digital and communication and engagement. Savings of £2.5m are planned over the next three years of which £1m was expected in 2025/26. As highlighted in the previous report, delays in the commencement of this work means that it is now unlikely to be achieved this year. Mitigations continue to be explored but prudently at Quarter 2 the saving continues to be forecast as red.

Service Modernisation

6.20. Over the next three years, the Council is working to deliver £6.8m of reductions from investment into digital tools and services. Delivery is being enabled through the Service Modernisation Programme Service which includes 16 live projects and a pipeline of over 60 additional projects, with a focus on reducing the cost of delivering services and/or improving the resident experience and more efficient ways of working for staff using digital technology. Currently, £1m savings have been identified for 2026/27 with a further £1.7m in the pipeline.

6.21. The priority to date has been on Adult Services, Children's Services and Housing given the high spend in these areas. The implementation of Netcall as a key technology platform to enable user-friendly services with automation and self-service is nearing completion. All services will be subject to review over the next two years, and this explains why some Directorate are reporting their proportion of the savings as RED in year. It is recognised that moving through the process of identifying a saving, prioritising resources, discovery, design and implementation requires time to provide assurance of successful delivery. Consequently, the £2m saving target for 2026/27 has been re-profiled to 2028/29 and the 2026/27 budget report presented to Cabinet on 11 November reflects this re-profiling.

Income Generation

6.22. Income generation is a vital part of the Council's financial sustainability and protecting services so all opportunities need to be identified. Previously approved income opportunities and £500,000 of new opportunities have been combined for 2025/26. This was planned to be delivered via a new cross Council Income Generation programme however, early indications have highlighted that this approach was not delivering as expected and is now being picked up through the Finance Recovery programme.

Asset Management

6.23. A review of the Council's operational and commercial estate is underway and continues to maximise income from the commercial portfolio, efficient use of the operational estate and capital receipts from properties surplus to requirement. Savings are achieved through increased income and reduced borrowing costs on the capital programme. In 2025/26, £868,000 of savings / income are assumed. The Council has reviewed and achieved a significant proportion to date and further in the pipeline, which subject to contract will enable the £868,000 target to be achieved, in conjunction with capital receipts via the disposal programme.

Capital Financing and Treasury Management

6.24. Capital Financing and Treasury Management costs are primarily the costs associated with the borrowing undertaken to finance the Council's Capital Programme. The Council will invest sums it receives in advance of utilisation to generate an income in the form of interest received. The income and expenditure detailed in the paragraph below are driven by projected activity levels of the Capital Programme and fluctuations in interest rates.

6.25. Detailed forecasts have been undertaken since Quarter One.

6.26. A commissioned review by external advisors last year made recommendations to amend the approach to historic minimum revenue provision (MRP). These recommendations were included in the revised capital strategy agreed by Full Council in March 2025 but not reflected within the budget and therefore a £2m underspend against budget is forecast.

6.27. The existing Treasury Management Strategy Statement (TMSS) also agreed in March 2025 included assumptions about in year bank interest rates and capital expenditure. Now halfway through the year, these assumptions have been tested against actual spend to date and forecasts to the end of the year. As capital expenditure is now expected to be lower than budgeted, £3.4m underspend is forecast; £1.7m in relation to interest repayments and £1.7m in interest income as cash balances are higher than forecast.

6.28. A component of the forecast cost is the financing cost of the Exceptional Financial Support (EFS) provided by Central Government. If the assumed £37m EFS for 2025/26 is fully utilised as well as the £10m covering the 2024/25 overspend. This means that in 2025/26, it is expected that the Council will bear an additional £2.91m (£47m x 6.2%) of capital financing costs it could otherwise utilise elsewhere in the provision of service. Any eventual overspend at year end will need to be funded either from capital receipt income or from additional borrowing. If additional borrowing is required, this will change the current forecast.

Collection Fund Forecast

6.29. Collection rates for both in year bills and arrears against both Council Tax and Business Rates are monitored and reviewed monthly. Progress is assessed against the agreed collection targets which for Council Tax is 95.75% and 94% for Business Rates.

6.30. Nationally published statistics on Council Tax collection rates since 2020/21 show that collection picked up post a COVID pandemic drop but since 2023/24 rates have started to fall again. The Outer London average collection for last financial year (2024/25) was 95.3% and for Inner London was 93.8%. In 2024/25 Haringey achieved 94.03%, higher than many nearest neighbours.

6.31. Unfortunately, the downward trend is continuing in year and at Quarter 2, the collection rate was 2.93% down against a target of 95.75%. A small use of corporate contingency has been agreed to bring in external resources to tackle the backlog in. It is expected that this will increase income received and an update on progress will be provided for Quarter 3.

6.32. Collection of Business Rates is also below the 94% target, by 2.10% however, some of this is due to delays in receiving due funds from the DfE in relation to schools.

6.33. Recovery of money owed from previous years, ‘arrears’, is tracking ahead of the targets. Some of this recovery activity is funded by grant from the GLA.

Risks, Reserves and Contingency

Risks and Issues

6.34. External factors can negatively impact the Council’s budgetary position. At Quarter 2 inflation remained above the Government target of 2%. The latest reported CPI for September 2025 was 3.8% an increase of 0.2% compared to June and significantly higher than the 1.7% in September 2024. Inflation impacts all residents and businesses to some extent which may be linked to the falling Council Tax and Business Rates collection rates. Council service providers will seek to recoup inflationary increases via higher charges which are being seen in the care services.

6.35. The Bank of England (BoE) base rate remains at 4%, the same as the previous quarter. The Autumn Budget may lead to a change in this rate as markets respond to the Chancellor’s statement. Any increase will impact on borrowing but could also mean additional investment income.

6.36. Officers continue to monitor these national indicators and work closely with external treasury advisors to keep abreast of future forecasts notably on bank rates. This is vital given the expected increase in use of Exceptional Financial Support via borrowing due to the overspend forecast.

6.37. With inflation remaining above the 2% target, collection of money owed to the Council is likely to remain challenging and therefore additional provision may be required to be made this financial year to cover bad debts. A mid year review of the main income areas. Any known additional requirement has been built into forecasts already or current provisions deemed as sufficient. Despite this work, 6 months of the year remain, and it must be recognised that increased provisions may be required as part of the year end accounting.

6.38. Overall, the current overall general fund forecast at Quarter 2 is in line with the outturn last year. However, this is significantly above the 2025/26 budgeted figure and there also remains an unquantifiable risk that the forecasts themselves may not be as accurate because of incorrect assumptions, unreliable data or unforeseen pressures. This is always a risk and made more significant this year due to the Council's weak financial position. The Finance Response and Recovery plans which together set out actions to reduce the need to draw down on EFS in the current year and beyond and improve financial resilience and sustainability will be critical in helping to mitigate this. Details of these plans and progress is in Appendix 10 of the report.

6.39. The Dedicated Schools Grant historic deficit opening balance for 2025/26 was £9.5m, and with an in-year forecast deficit of £3.1m at Quarter 2, the total forecast closing deficit for 2025/26 is £12.5m. This deficit is held separately to the General Fund account. Funding is still passported to schools and the deficit position results in cash out from the Council exceeding available DSG budgets. This will have an impact on the Councils Treasury Budget because the council will have reduced cash balances, therefore less opportunity to receive investment income. The loss of investment income due to forecast DSG deficit balances is estimated to be circa £500,000 in 2025/26 assuming an average return of 4.00%.

6.40. In 2025/26, schools across Haringey continue to face financial difficulties in operating within their allocated budgets. Like most London Boroughs, Haringey is seeing a significant decline in primary school rolls and is now seeing the same impact in secondary schools, as a result of population trends of declining numbers of school age children. Appendix 1 includes a detailed update on the number of schools in deficit as well as the trend of reducing primary school rolls. Both are risks to the Council's General Fund. The Council is working closely with schools on their budget deficits however where it is known that a school has had to close because of falling rolls, the deficit becomes a pressure for the council either via redundancy costs or closure with deficit bank balances. In total, schools have moved from a surplus outturn of £11.2m in 2020/21 to a deficit outturn of £2.6m in 2024/25 and is now forecasting a year end deficit of £10.7m at Quarter 2 for 2025/26. Since 2020/21, this is a worsening position of nearly £22m over 5 years.

6.41. In summary, there remains a real risk that the current **£23.4m** forecast overspend could worsen by the year end. This would require additional exceptional financial support from government over and above the £37m already assumed when the budget was set. It is prudent to assume that this would need to be funded from borrowing which for every £1m adds an additional, £62,000 in revenue costs per annum for 20 years assuming principal is repaid on maturity.

6.42. The Corporate Director of Finance and Corporate Resources has undertaken a detailed review of the current reserve balances over the last few months. This work is largely completed and should enable some funds to be released before year end to offset the current overspend. The final figure will be included in the Quarter 3 report but is expected to result in only a small improvement to the position. It should be noted that use of reserves is a one off mitigation.

6.43. Appendices 1-7 and Table 2 set out the full details of service spend and end of year forecasts, together with details of any mitigating action.

General Contingency

6.44. In total, the 2025/26 budget was set with a £10.1m general contingency to meet any unplanned expenditure and mitigate against any non-delivery of savings or planned income. As at Quarter 2, £3.5m of this has been allocated,

6.45. Given the forecast outturn position at Quarter 2, full utilisation of the remaining contingency by year end has been assumed in the projections as the Council must mitigate down as far as possible the use of borrowing through EFS.

6.46. The 2025/26 budget also included £10.2m to cover the estimated cost of the pay award, redundancy costs not able to be met by the service and contractual inflation. The pay award has now been agreed and relevant budgets allocated to the service lines as has the majority of planned contract inflation. Any remaining budgets not yet allocated continue to be assumed to be fully allocated to services during the year and anything residual will be used to offset the overall council overspend.

Reserves

6.47. The Councils corporate reserves balance is currently forecast to be £42.8m in March 2026, of which £27.7m is assumed to be committed as presented in the table below. Effectively the only available cash balance at year end is the General Fund Reserve at just over £15.1m.

6.48. A forecast of reserve balances to 31 March 2028 is shown in Table 4. This will be updated quarterly on any in year movements and a more detailed forecast in the Budget report to Cabinet in February 2026.

Table 4: Reserves Forecasts to March 2028

Reserves	Actual	Forecast		
	31 March 2025	March 2026	March 2027	March 2028
	£'000	£'000	£'000	£'000
General Fund Reserve	15,140	15,140	15,140	15,140
Risks and Uncertainties				
Transformation Reserve	0	0	0	0
Labour market resilience reserve	186	0	0	0
Budget Planning reserve	1,141	0	0	3,000
Collection Fund	1,231	0	0	0
Total Risk and Uncertainties	**2,558**	**0**	**0**	**3,000**
Contracts and Commitments				
Services Reserve	9,358	9,358	9,358	9,358

Unspent grants reserve	10,391	10,391	10,391	10,391
PFI lifecycle reserve	3,959	0	0	0
Debt Repayment Reserve	1,072	1,072	1,072	1,072
Insurance Reserve	5,510	5,510	5,510	5,510
Schools Reserve	1,344	1,344	1,344	1,344
Total Contracts and Commitments	**31,634**	**27,675**	**27,675**	**27,675**
Grand Total	**49,332**	**42,815**	**42,815**	**46,815**

7 Financial Response and Recovery Plans

7.1 In light of the Council's financial position and the reliance on Exceptional Financial Support from Government in 2024/25 and 2025/26, emergency financial controls have been put in place across the organisation to reduce non-essential spend.

7.2 The Council has implemented additional spend control measures since the last report which include reduced use of purchase cards, Section 151 scrutiny of all contract and decision reports above £25,000 and a refreshed governance process. This new process maintains the 6-weekly Financial Recovery Cabinet Group, chaired by the Leader to ensure clear political oversight of the emergency procedures but the previous Financial Recovery Gold and Silver groups have been replaced by a new Financial Recovery Board. This has oversight of the financial recovery and sets the strategy and direction to the organisation in respect of the Financial Recovery Plan. The group will also provide accountability and assurance in respect of progress against the delivery of the plan and the savings. It is now supported by dedicated staff seconded from across the Council specifically to ensure pace and delivery can be delivered and maintained.

7.3 Since the start of the year, the controls on spend have avoided close to £1m across revenue and capital. Each of these actions help to reduce the final Exceptional Finance Support (EFS) required at year end, which reduces future annual repayment commitments which cost circa £62,000 for every £1m borrowed. The work on rationalising the council's assets also continues, and receipts realised from surplus assets which under government dispensation can also be used to mitigate the need to borrow to fund overspends.

7.4 The implementation of the Financial Response and Recovery Plans is aimed at taking the necessary action to reduce the reliance on EFS (Finance Response Plan) and restore the Council's financial resilience and sustainability (Finance Recovery Plan). There are clear links between the two plans and delivery on the response plan should be considered alongside the recovery plan. It is recognised that the recovery plan will take longer to deliver and outcomes achieved.

7.5 The Council has made progress against the actions in these plans with the detail set out in Appendix 10.

8 Council Debt and Write Offs for Quarter 2

8.1 Appendix 9 provides a summary of the council debts which have been written off in Quarter 2, totalling **£4.844m,** of which 81% are Parking debts. Of the parking related debt, circa £1.5m related to cases that had been through the recovery process and the associated warrants were no longer valid (expiring after 12 months) and could not be pursued. Following review of the individual cases, these are deemed extremely unlikely to be recovered and have been approved for write off by the Corporate Director of Finance and Resources (S151 Officer) under delegated authority and as set out in the Financial Regulations.

8.2 Under Haringey's constitution debts of £50,000 or more proposed for write off require the approval of the Cabinet Member for Finance and Resources or Cabinet. This quarter there are two such debts totalling **£315,222** which have been approved by the Cabinet Member for Finance and Resources. Details of these are set out in Appendix 9.

8.3 Corporate debt levels continue to rise. Key actions underway include:

- **Strategic Write-Offs**: Implementing a structured write-off process to eliminate debt deemed irrecoverable.
- **Data-Driven Recovery**: Using propensity-to-pay analytics to prioritise recovery efforts.
- **Debt Recovery Strategy**: Strengthening internal recovery mechanisms to maximise returns.
- **External Partnerships**: Exploring external service providers to support early-stage intervention and post-internal recovery efforts.

8.4 These measures aim to improve transparency, enhance recovery rates, and ensure resources are focused where they will have the greatest impact.

9 Capital Expenditure Forecast at Quarter Two

9.1 As shown in Table 5 the revised budget for the Capital Programme in 2025/26 is £525.7m, which includes the July Cabinet agreed carried forwards and September Cabinet agreed Quarter 1 budget adjustments. In Quarter 2 further budgets adjustments are being proposed with overall net reduction of £3.9m, taking the Quarter 2 revised Capital Programme budget to £521.8m. Of these budget adjustments, £3.9m can be attributed to General Fund capital schemes.

9.2 The Quarter 2 revised 2025/26 capital programme is £180.2m for General Fund and £341.7m for the HRA.

9.3 A detailed breakdown and explanation of the £3.9m Qtr. 2 capital budget adjustments for the General fund capital programmes are set out in Appendix 8.

9.4 After these adjustments, the General fund capital programme is forecast to spend £160.9m (89%) and £281.9m (83%) for the HRA.

Table 5 – 2025/26 Capital Expenditure Summary as at Quarter 2

Directorate	2025/26 Revised Budget (£'000)	2025/26 QTR. 2 Adjustments (£'000)	2025/26 Revised Budget (£'000)	2025/26 QTR. 2 Forecast (£'000)	2025/26 Budget Variance (£'000)	2025/26 Movt. Btw. QTR. 2 & QTR. 1 (£'000)
Children's Services	15,064	0	15,064	12,449	(2,615)	(2,559)
Adults, Housing & Health	9,653	10	9,663	9,326	(337)	13
Environment & Resident Experience	26,611	42	26,653	21,797	(4,856)	(4,539)
Culture, Strategy & Communities	56,426	(2,539)	53,886	50,624	(3,263)	(10,870)
Finance & Resources	29,025	(1,373)	27,652	19,475	(8,178)	320
Corporate Items	47,256	0	47,256	47,256	(0)	0
General Fund Total	**184,034**	**(3,860)**	**180,175**	**160,926**	**(19,249)**	**(17,636)**
HRA - Housing Revenue Account	341,653	0	341,653	281,945	(59,708)	(24,276)
Overall Total	**525,687**	**(3,860)**	**521,828**	**442,871**	**(78,957)**	**(41,912)**

9.5 The remainder of this section provides a high-level summary of the main areas of spend in the General Fund Capital Programme. Full details and reasons for the variations against budget are set out in the Directorate Appendices (1- 7).

9.6 The Civic centre works is showing a forecast spend to budget. Cabinet approved the award of contract and final business case on the 12th of November 2024, with an allocated budget for of £66m. The council are still working within this budget of £66m. As with any project, especially one with a Grade II listed element, there are risks but these are being managed within the total £66m budget via the project's contingency allocation.

The project is progressing at pace with the exciting stage of topping out planned for early in the new year. There is still a way to go with the project and risks to be managed; but these are monitored on a weekly basis by the Director of Capital Projects and Property alongside finance business partners; and reported to the programme board, which is facilitated by the Civic Centre Programme Director.

9.7 Alexandra Palace - Invest to Earn programme (scheme 634) is reporting no forecast spend against budget of £1.6m. This scheme has been paused, as higher priority schemes have been identified for inclusion in the 2026/27capital programme, such as the panorama room.

9.8 Asset Management of Council Buildings (capital scheme 316) is reporting a spend forecast of £5.7m against £7.8m revised budget. This anticipated forecast underspend can largely be attributed to the time lag between contract tendering and work commencement, thereby causing delays in project delivery/completion.

9.9 Similarly, Commercial property remediation (capital scheme 4011) and Energy Performance Certificate improvements (capital scheme 4012) are both showing a spend forecast of £1.5m, an underspend of £3.5m against a budget of £5.0m. The two planned schemes have been delayed due to a number of complex legal matters that need to be resolved before work can commence.

9.10 Corporate Laptop Refresh (capital scheme 657) is reporting a spend forecast of £0.8m against £1.7m revised budget. The ongoing Windows 11 upgrade is nearing conclusion. The forecast underspend of £0.9m will be revisited with the view of possible budget reprofiling to align with the corporate workforce plan.

9.11 Capital Support for Digital Outcomes (capital scheme 660) is reporting a forecast spend of circa £1.0m against revised budget of circa £2m and is linked to the Service Modernisation Programme that will deliver digital improvements over the next three years.

Capital Receipts - Forecasts

9.12 As at 31 March 2025. the Council had usable General Fund capital receipts of £31.04m. This is inclusive of £15.25m ringfenced High Road West (HRW) capital receipt and therefore available capital receipts is £15.79m. As part of the Council's budget setting the proposed application of these receipts was as follows:

Table 6 - Capital Receipts

Title	Description	2025/26 (£'000)	Total (£'000)
Corporate Support to all improvement programmes	To support a broad range of transformation projects across the Council	671	671
Counter fraud work	Details to be included	75	75
Strategic Asset Management	Support to improve the asset management function of the Council	1,500	1,500
Demand Management in Adult social Care	This covers a range of transformation and change initiatives in Adults social care to invest in prevention and reduce demand for high-cost services	500	500
New Change Framework	To develop and implement a new Change Framework to deliver transformation across the Council.	1,790	1,790
Temporary Accommodation Reduction Project	To invest in prevention and service re-design to reduce the overall level of demand for temporary accommodation	200	200
Invest to save	To provide funding for a range of initiatives in services to either reduce costs, increase income, or both	3,000	3,000
Grand Total		**7,736**	**7,736**

9.13 In June 2025, Cabinet agreed the Disposals Policy and disposals for 2025/26 which totalled an estimated £20m, of which £11.3m is in progress.

9.14 Five property sales have been approved by the Disposals Board, subject to Stage 2 final approval. Auction Sales are likely to be the timeliest methods of sale, provided Reserve Prices are met at auction.

9.15 To maximise the capital receipt, any outstanding lease events should be concluded to give greater certainty to purchasers via private treaty. This will delay sale completion dates.

9.16 Forecasting capital receipts for 2025/26 is a challenge, given a range of issues, market conditions, starting the programme and gearing up, but a total of £5m to £8m is likely to more realistic for 2025/26 with the remaining expected in 2026/27.

10 Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes.

10.1 The Council's budget aligns to and provides the financial means to support the delivery of the Corporate Delivery Plan outcomes.

11 Carbon and Climate Change

11.1 The proposed recommendations have no direct impact on carbon emissions, energy usage or climate change adaptation.

12 Statutory Officers Comments

Finance

12.1 This is a report of the Corporate Director of Finance and Resources and therefore financial implications have been highlighted throughout the report. The factors with which the authority is facing and impacting on its financial position are challenging, caused by increasing demand, inflation and wider economic pressures. The Council is working to identify and put into effect additional mitigating actions in 2025/26 to reduce spending by the year and such mitigations and controls on non-essential spending.

12.2 This report includes the impact of budget pressures identified to date and it is very important that the focus to mitigate these pressures continues. This includes increasing control of major costs areas, including staff costs, contract costs and capital spend.

12.3 A further review of reserves and the Council's balance sheet is underway to determine any one-off contributions that can be utilised in year to fund the overspend position and limit the use of use of Exceptional Financial Support from Government.

12.4 The Council's reserves position is lower than average for a council of this size and a medium to long term objective must be to increase balances to manage the many risks and uncertainties and strengthen the Council's financial resilience.

Strategic Procurement

12.5 Strategic Procurement notes the contents of this report and will continue to work with services to support income generation, cost reduction and contract efficiencies where possible

Legal

12.6 The Director of Legal & Governance has been consulted on this report and makes the following comments.

12.7 The council is required by s151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. Section 7 of this report sets out the financial response and recovery plans to support the proper administration of the council's financial affairs.

12.8 The Council is under a duty to maintain a balanced budget and to take any remedial action as required. In exercising that duty, the Council must also take into account its fiduciary duties to the council tax payers of Haringey. Pursuant to section 28 of the Local Government Act 2003, the Council is under a statutory duty to periodically conduct a budget monitoring exercise of its expenditure and income against the budget calculations during the financial year. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such remedial action as it considers necessary to deal with any projected overspends. This could include action to reduce spending, income generation or other measures to bring budget pressures under control for the rest of the year. The Council must act reasonably and in accordance with its statutory duties when taking necessary action to reduce any expected overspend.

12.9 Pursuant to the Executive 'Financial management and resources' function set out at Part Three, Section C of the Constitution, the Cabinet is responsible for approving both virements and debt write offs in excess of certain limits as set out in the Financial Regulations at Part Four, Section I, Regulations 5.31, 5.32 & 8.15(c) respectively.

12.10 In February 2025, government confirmed that in the financial year 2025/2026 it will provide a number of councils with support to manage financial pressures via the Exceptional Financial Support process. Haringey has an in principle agreement of £37m. Support via the framework is usually provided in the form of a capitalisation direction which permits a local authority to meet revenue costs through capital resources. There is a clear expectation that authorities continue to manage and mitigate their financial pressures. Support is provided on condition that each local authority is subject to an external assurance review.

12.11 In light of the above, there is no legal reason why Cabinet cannot adopt the Recommendations contained in the report.

Equalities

12.12 The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share those protected characteristics and people who do not.
- Foster good relations between people who share those characteristics and people who do not.

12.13 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

12.14 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

12.15 This budget report covers the position at Quarter 2 (Period 6) of the 2025/26 financial year including General Fund (GF) Revenue, Capital, Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) budgets. The report focuses on significant budget variances including those arising as a result of the forecast non-achievement of approved MTFS savings.

12.16 It also includes proposed budget virements or adjustments. The recommendations in the report are not anticipated to have a negative impact on any groups with protected characteristics. In addition to this, the Council's saving programme is subject to a cumulative equality impact assessment, which acts to mitigate against any potential impacts for those living and working in the Borough.

13 Appendices

Appendix 1 – Children's Directorate Level Forecast including Savings and Capital forecasts
Appendix 2 – Adults, Housing and Health Directorate Level Forecast including Savings and Capital forecasts
Appendix 3 – Culture, Strategy and Communication Directorate Level Forecast including Savings and Capital forecasts
Appendix 4 – Finance & Resources Directorate Level Forecast including Savings and Capital forecasts
Appendix 5 – Corporate Directorate Level Forecast including Savings and Capital forecasts
Appendix 6 – Environment and Residence Experience Directorate Level Forecast including Savings and Capital forecasts
Appendix 7 – Housing Revenue Account Directorate Level Forecast including Savings and Capital forecasts
Appendix 8 – Proposed Virements (Revenue and Capital)
Appendix 9 – Debt Write Off (includes less than £50,000 and greater than £50,000)
Appendix 10 - Finance Response and Recovery Plan

14 Background Papers (Local Government (Access to Information) Act 1985)

14.1 None

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Appendix 2 – Adults Directorate Level Forecasts.

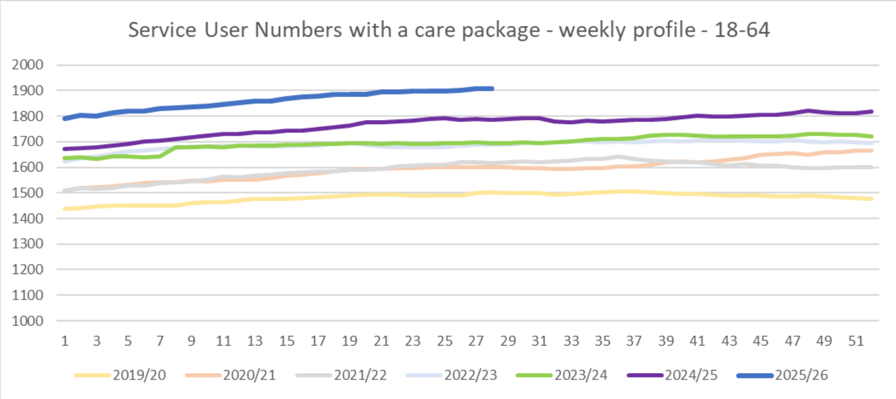
1.1. The table below provides the full year forecast across the Adults, Housing and Health Directorate, followed by more detailed explanations for any under or overspends that are forecast for the year.

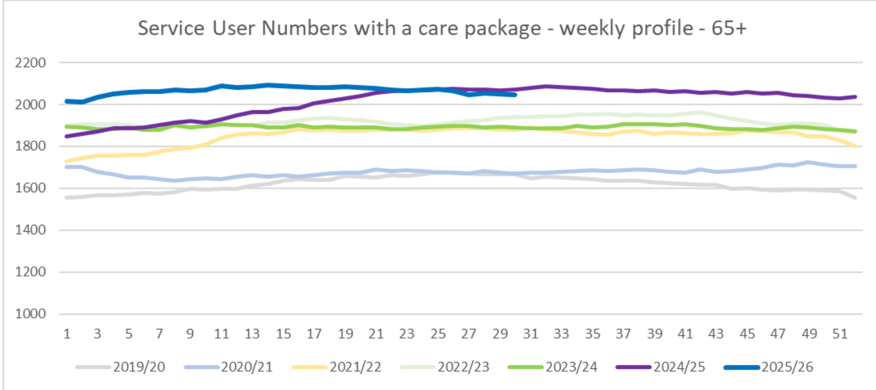
Management Area	Revised 2025/26 Budget	Total Full Year Forecast	Base Budget (over/under-spend)	Non Delivery of Savings	Q2 Total Variance	Q1 Total Variance	Movement Q1 to Q2
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult, Housing and Health	**133,632**	**150,576**	**16,026**	**1,108**	**16,944**	**18,991**	**(2,047)**
Director of Adult & Social Services	105,247	110,956	4,702	1,108	5,710	7,561	(1,851)
Housing Demand	28,385	39,620	11,235	0	11,235	11,430	(196)
Director of Public Health	0	0	0	0	0	0	0

ADULT & SOCIAL SERVICES

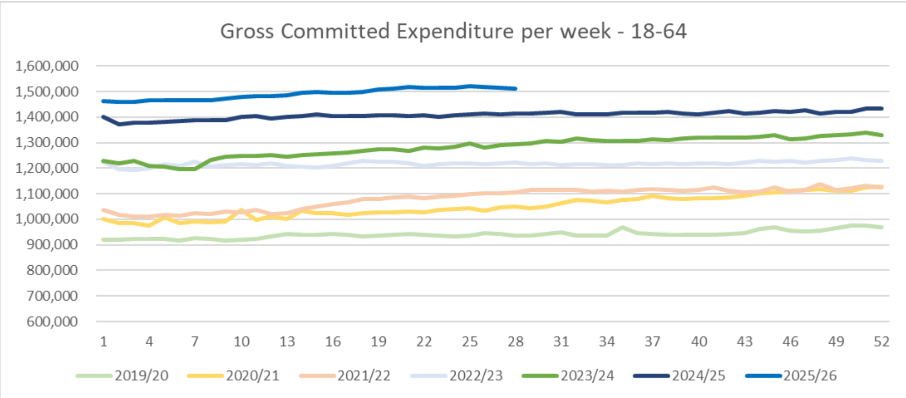
1.2. The improvement between Q1 and Q2 reflects updates to correctly reflect recurring grant income in the budget and match the increase in placement budgets. The effect on the net budget is nil but has reduced the pressure on placements approximately £1.8m. Net forecast expenditure at Q2 remains broadly the same as forecast at Q1.

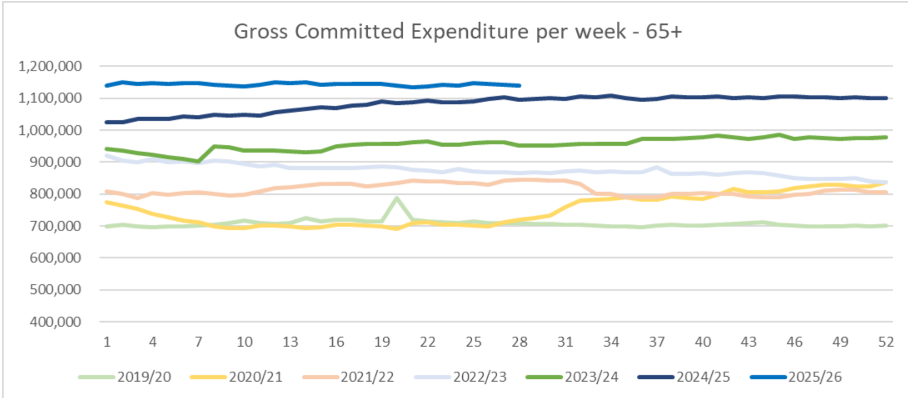
1.3. The number of Older Adults (65+) with a care package at Q2 has stabilised at 2059, a broadly similar level at the same point last year but this remains an area that is subject to demand-led fluctuations. In contrast, the number of younger adults (18-64) with a care package has continued to increase from 1791 at the beginning of the financial year to 1907 at the most recent week. The increase in numbers is those with a primary support reason of Physical Disabilities and Mental Health. The numbers are expected to continue to increase across the remainder of the financial year and this is built into the current forecast. Recent work has been completed in reviewing the numbers of young people transitioning to adulthood, the numbers expected to transition in the current year will be well within the budget provision in the current year. Young people with a learning disability account for the largest volume within the transition's cohorts.





1.4. Inflationary uplifts continue to be negotiated, and it is expected that the costs will be in the current year will be contained within the current available budget. Weekly committed expenditure for Older Adults is currently £1.4m, with the trend relatively flat and for Younger Adults £1.5m, with a small upward trend reflecting the increase in number. The weekly committed expenditure for Younger Adults is likely to increase from the current base as there are a number of outstanding inflationary uplifts remain to be agreed.





1.5. A robust approach continues to being taken to ensure that independence is maximised for new placements and that a fair price is being paid for care, with a proactive approach taken on market management. Opportunities to maximise joint funding with Health continue, to ensure that contributions towards care are agreed as early as possible. The Council is also further enhancing the offer to better signpost residents to non-statutory and community services that best meet their needs.

2025/26 Savings

1.6. Against a full year savings target of £3.96m, subject to the risks set out below Adult Social Care are forecasting delivery of £2.9m. The table below sets out the full details of the savings and delivery forecast.

1.7. The table below sets out the full details of the savings and delivery forecast.

Adults Social Care

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	Transitions	-1,152	-634	-518	Green	The review of expected transitions has been completed that reprofiles the expected cost of young people from children's to adults and the level of savings/cost avoidance expected over the current financial year and the next three years. The expected cost of transitions in the current year is expected to be lower than forecast in 2023, £2.9m compared to £4.2m and as a result the level of savings as a product of those costs is expected to be lower at £0.634m compared to £1.152m. Therefore, the savings will be reprofiled accordingly and should be considered as on-track in terms of in-year delivery.
Feb-24	Resettlement (not ASC)	-150	-150	0	Green	On track to be delivered in full.
Feb-25	Staffing Savings for Adult Social Services	-1,200	-1,200	0	Green	On track to be delivered in full.
Feb-25	Integrating Connected Communities - Further development of the Adult Social Care locality model and	-700	-700	0	Green	On track to be delivered in full, staff consultation complete

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
	prevention approach: there is an opportunity to integrate the Connected Communities model and rationalise resources across the directorate.					
Feb-25	Developing Community Support model - Building on Locality model and in collaboration with NHS, Housing, Public Health, voluntary and community sector, review and refresh our focus on prevention and early intervention, supporting residents to access community services which can best meet their needs and reduce demand on statutory services. This will also include a review the Adult Social Care's 'front door' to include information advice as to eligibility, how residents access the Service, progress from contact to assessment and then to	-181	0	-90	Amber	We are enhancing our offer to better signpost residents to non-statutory and community services that best meet their needs and rightsizing care packages where appropriate to ensure they maximise independence and choice. This work also includes a review of the ASC Front Door which is currently underway and due for completion by end November 2025, alongside the implementation of the Independence & Early Intervention team. This is rated amber due a delay from the initial timeline, which was restricted by social work capacity levels. Resource plans are now in place and we are still aiming to deliver the savings in full by the end of the financial year.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
	receiving and reviewing support – at each stage of the residents' journey, reviewing how a digital response can inform improved demand management, more timely responses, reduce administrative burdens on staff and inform cost reductions.					
Feb-25	Review of the Council's Reablement model to ensure that it is consistently focused on maintaining independence and supports safe and well-planned hospital discharge for a wide range of our residents.	-100	-100	0	Green	On track to be delivered by service efficiencies. A wider review of reablement is also underway.
Feb-25	Supported Living Contract - Releasing efficiencies through a new contract model for Supported Living that moves away from spot purchasing through a 'Dynamic Purchasing System' and onto a	-400	0	-400	Red	The limited capacity in the ASC Commissioning Team, due to the community equipment provider failure, has significantly impacted this project, alongside delays in recruitment. This is being addressed as a matter of urgency and we have identified external capacity options to support. We are developing plans to mitigate against this shortfall.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
	framework with agreed pricing and uplifts.					
Feb-25	5% Staff saving	-80	-80	0	Green	On track to be delivered in full.
Total Directorate		**-3,963**	**-3,045**	**-1,008**	**Amber**	

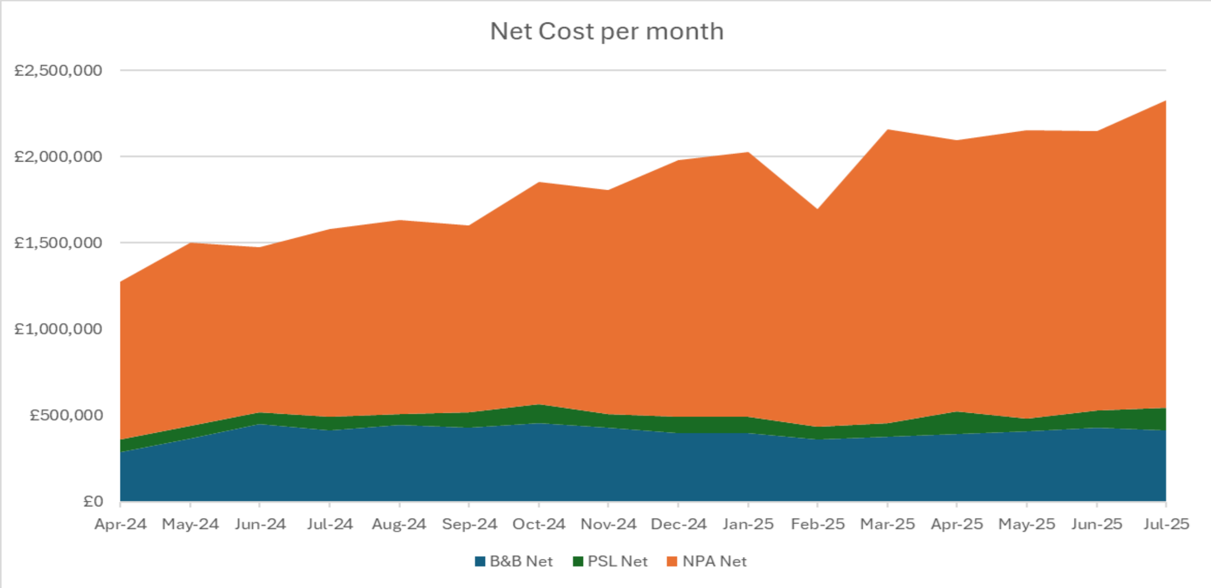
ADULT'S HOUSING DEMAND

1.8. As at Quarter 2, Housing Demand is forecasting an £11.2m overspend.

1.9. Overall numbers in temporary accommodation (TA) continue to decrease, as a result of strong performances in both prevention and outflow from TA. The cost pressure remains as a result of the increasing cost of NPAs (Nightly Purchased Annex accommodation), which is increasing at a rate of 18% per annum (compared to 10% increase assumed when the budget was set), and the loss of more cost-effective forms of TA such as PSLs and Council stock. Work remains ongoing to reduce the number of people in TA and to procure on a value for money basis to drive down costs. The Council are on track to deliver mitigations including:

- The decant of a high cost NPA cohort
- A hotel consolidation programme including a full decant and cease of use of a commercial hotel
- The implementation of the rent convergence programme

The chart below shows that at April 2024, the net position was £1.275m per month but by July 2025 has risen to £2.327m (+83%)



1.10. Over the period April 2024 to July 2025 the number of units available has increased from 1,850 to 2,148 B&B, whilst comprising currently 18% of net cost has fluctuated between £66 per night to £83 and is currently £76 per night. Significantly, NPA has increased from £21 per night to £35 per night in July 2025.

2025/26 Savings

1.11. Against a full year savings target of £3.4m, Housing Demand are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Adults Housing Demand

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-25	Holding Vacancies across HD 5% Housing Related Support	-25	-25	0	Green	On track to deliver in full
Feb-25	Holding Vacancies across HD-5% TA and Homelessness	-400	-400	0	Green	On track to deliver in full
Feb-25	Housing Related Support (HRS) Contract Saving	-412	-412	0	Green	On track to be delivered in full - the service has already negotiated with providers to reduce contract values
Feb-25	More Cost-Effective Sources of Temporary Accommodation - The delivery of this saving is through the combination of a number of initiatives to reduce the overall cost of homes secured for temporary accommodation and to increase the amount of Local Housing Allowance recouped by the Council.	-2,600	-2600	0	Green	"A clear approach to tracking savings and performance is being established and Power BI dashboard being built to make reporting simple in addition to the £101,471.72 , Pipeline monies reported at the end of August are £1,707,998.56 (Sept figures not yet available) and therefore the anticipated savings reflect this which is over the savings target A total of has also been income generated of £845,177 which is against the invest to save workstream: Income Collection Implementation as of the end of September. We are tracking this but it is not included in the £2.6m but additional income generated through the programme. Achieving full year effect on the MTFS savings at this stage is viewed as unlikely (predominantly due to the delay in the Rent Convergence Workstream), however we are exploring how cost avoidance in workstreams can be demonstrated.

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus) / shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
						The Programme team is supporting the service to identify additional savings that have been either realised already or will be in year and will be reporting these through the programme board as data becomes available."
Total		**-3,438**	**-3,438**	**0**	**Green**	

PUBLIC HEALTH

1.12. As at Quarter 2, Public Health is projecting a breakeven position. Any underspend at the year-end will be transferred to the Public Health Reserve or any overspend will require a drawdown from reserve.

2025/26 Savings

1.13. Against a full year savings target of £295,000, Public Health are forecasting 100% delivery of their savings. The table below sets out the full details of the savings and delivery forecast.

Adults Public Health

Cabinet Decision Date	Saving proposal	2025/26 £'000s	2025/26 Projected Full Year Savings £'000s	2025/26 Savings (surplus)/ shortfall £'000s	RAG Status (Delivery of 2025/26 Saving)	Comment on Delivery RAG Status
Feb-24	0-19 years Public Health Nursing Services efficiencies	-150	-150	0	Green	
Feb-25	Deletion of Public Health Business Support Post	-37	-37	0	Green	
Feb-25	Vacancy Factor savings for Public Health	-108	-108	0	Green	
Total		**-295**	**-295**	**0**	Green	

Capital Forecasts

SCHEME REF	SCHEME NAME	2025/26 Revised Budget @ QTR. 1 (£'000)	2025/26 QTR. 2 Adjustments (£'000)	2025/26 QTR. 2 Revised Budget (£'000)	2025/26 QTR.2 Full year Forecast Outturn (£'000)	Budget Variance (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 2 & Qtr. 1 Forecast (£'000)	Scheme Progress Comments
201	Aids, Adaptations & Assistive Tech - Home Owners (DFG)	3,606	10	**3,616**	**3,616**	**0**	**Green**	**Amber**	**Green**	**11**	It is anticipated that the full budget will be spent by the end of the financial year. The amber rating refers to the fact that spend to date is behind planned expenditure. Procurement of contractors is being reviewed.
211	Community Alarm Service	177	0	**177**	**177**	**0**	**Green**	**Green**	**Green**	**0**	Assistive technology expenditure is planned and in progress
213	Canning Crescent Assisted Living	682	0	**682**	**682**	**0**	**Green**	**Green**	**Green**	**(0)**	The project completed in August 2025 and further spend is not anticipated.
225	Locality Hub	338	0	**338**	**0**	**(338)**				**2**	Scheme is on hold pending review of business case.

SCHEME REF	SCHEME NAME	2025/26 Revised Budget @ QTR. 1 (£'000)	2025/26 QTR. 2 Adjustments (£'000)	2025/26 QTR. 2 Revised Budget (£'000)	2025/26 QTR.2 Full year Forecast Outturn (£'000)	Budget Variance (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 2 & Qtr. 1 Forecast (£'000)	Scheme Progress Comments
226	Initiatives under Housing Demand Programme	4,850	0	**4,850**	**4,850**	0	**Green**	**Green**	**Green**	**0**	Projections are based on delivery requirements of the GLA CHAP programme.
Adults, Housing & Health		**9,653**	**10**	**9,663**	**9,326**	**(337)**				**13**	

REVISED 2025/26 - 29/30 (GF) CAPITAL MTFS AS AT QUARTER 2

SCHEME REF	SCHEME NAME	2025/26 Revised Budget (after Virement) (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)	2028/29 Budget (£'000)	2029/30 Budget (£'000)	2025/26 - 29/30 Total (£'000)
201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	3,616	2,200	2,200	2,200	2,200	**12,416**
211	Community Alarm Service	177	177	177	0	0	**531**
213	Canning Crescent Assisted Living	682	0	0	0	0	**682**
225	Locality Hub	338	501	0	0	0	**839**
226	Initiatives under Housing Demand Programme	4,850	5,150	0	0	0	**10,000**
Adults, Housing & Health		**9,663**	**8,028**	**2,377**	**2,200**	**2,200**	**24,468**

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Appendix 7 – HOUSING REVENUE ACCOUNT

1.1. The table below provides the full year forecast across the Housing Revenue Account followed by more detailed explanations for any under or overspends that are forecast for the year.

Full Details of Housing Revenue Account (HRA) Budget Q2 v Q1 2025/26

HRA BUDGET 2025/26 - Q2	2025/26 Revised Budget	Q2 2025/26 YTD Budget	Q2 2025/26 YTD Actual	Q2 2025/26 YTD Var.	Q2 2025/26 Full Year Forecast	Q2 2025/26 Full Year Forecast Variance	Q1 2025/26 Full Year Forecast Variance	Movement Q2 v Q1 2025/26
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Service Charge Income - Hostels	(490)	(235)	(165)	70	(346)	144	199	(55)
Rent - Hostels	(1,853)	(888)	(714)	174	(1,567)	286	273	13
Rent - Dwellings	(109,275)	(52,093)	(49,298)	2,795	(104,442)	4,833	3,259	1,574
Rent - Garages	(697)	(332)	(318)	14	(671)	26	-	26
Rent - Commercial	(913)	(685)	(369)	316	(790)	123	-	123
CBS - Lease Rental Income	(4,693)	-	-	-	(4,693)	-	-	-
Income - Heating	(1,294)	(617)	(494)	123	(1,148)	146	-	146
Income - Light and Power	(1,523)	(726)	(742)	(15)	(1,553)	(30)	-	(30)
Service Charge Income - Leasehold	(10,829)	(10,829)	(10,571)	258	(10,829)	-	-	-
ServChgInc SuppHousg	(1,761)	(840)	(836)	3	(1,763)	(1)	-	(1)
Service Charge Income - Concierge	(2,230)	(1,063)	(1,012)	51	(2,171)	59	-	59
Grounds Maintenance	(2,323)	(1,161)	(1,116)	46	(2,341)	(18)	-	(18)
Caretaking	(4,146)	(1,977)	(1,898)	78	(4,001)	145	-	145
Street Sweeping	(3,804)	(1,813)	(1,743)	70	(3,659)	145	-	145
HRA Income	**(145,832)**	**(73,260)**	**(69,276)**	**3,983**	**(139,973)**	**5,859**	**3,731**	**2,128**
Housing Management WG	0	0	0	0	0	0	0	0
Housing Management NT	0	0	0	0	0	0	0	0

HRA BUDGET 2025/26 - Q2	2025/26 Revised Budget	Q2 2025/26 YTD Budget	Q2 2025/26 YTD Actual	Q2 2025/26 YTD Var.	Q2 2025/26 Full Year Forecast	Q2 2025/26 Full Year Forecast Variance	Q1 2025/26 Full Year Forecast Variance	Movement Q2 v Q1 2025/26
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Housing Mgmnt Hornsy	79	39	49	10	79	0	0	0
TA Hostels	622	311	-17	-328	634	12	7	5
Housing Management ST	0	0	0	0	0	0	0	0
Housing Management BWF	0	0	0	0	0	0	0	0
Rent Accounts	0	0	15	15	0	0	0	0
Under Occupation	184	92	25	-68	184	0	0	0
Repairs Cent Rechrge	2	1	1	0	2	0	0	0
Respon Repair - Hos	718	359	54	-305	758	40	34	7
Water Rates Payable	33	17	-87	-104	33	0	0	0
Housing Mngt Recharg	3,869	116	126	10	3,869	0	0	0
Other RentCollection	149	75	80	5	149	0	0	0
Energy Billing & Collection	73	37	29	-7	160	87	0	87
HousMgmntRechg Energ	3,067	1,533	594	-939	3,067	0	0	0
Special Services Cleaning	4,311	1,796	1,788	-9	4,311	0	0	0
Special Serv GrndMnt	2,055	1,027	122	-905	1,805	-250	0	-250
HRA Pest Control	332	166	132	-34	352	20	20	0
Estate Controlled Parking	157	78	-5	-84	157	0	0	0
Managed Services	160	80	0	-80	160	0	0	0
Support People Paymt	0	0	0	0	0	0	0	0
Bad Debt Dwellings	2,135	0	0	0	2,135	0	0	0
Bad Debt Prov - Leas	260	0	0	0	260	0	0	0
Bad Debt Prov - Host	70	0	0	0	70	0	0	0

HRA BUDGET 2025/26 - Q2	2025/26 Revised Budget	Q2 2025/26 YTD Budget	Q2 2025/26 YTD Actual	Q2 2025/26 YTD Var.	Q2 2025/26 Full Year Forecast	Q2 2025/26 Full Year Forecast Variance	Q1 2025/26 Full Year Forecast Variance	Movement Q2 v Q1 2025/26
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
HRA- Council Tax	1,156	578	181	-397	1,900	744	0	744
Supported Housing Central	677	338	51	-287	677	0	0	0
Housing Management team	0	0	39	39	0	0	0	0
Housing Delivery Team	385	192	190	-2	385	0	0	0
Anti Social Behav Sv	714	0	0	0	544	-170	0	-170
Interest Receivable	-232	0	0	0	-232	0	0	0
Corporate democratic Core	703	703	744	42	744	42	0	42
Leasehold Payments	108	54	172	118	108	0	0	0
Landlords Ins - TEN	393	0	0	0	393	0	0	0
Landlords - NNDR	125	0	26	26	153	28	0	28
Landlords Ins - LSHD	4,030	4,030	3,160	-870	3,160	-870	0	-870
Capital Financing Costs	25,462	0	5	5	20,545	-4,917	-3,259	-1,658
Depreciation - Dwellings	22,754	0	0	0	22,754	0	0	0
Community Benefit So	0	0	18	18	0	0	0	0
GF to HRA Recharges	2,819	0	0	0	2,819	0	0	0
Estate Renewal	1,126	0	6	6	1,126	0	0	0
Operational Dir Housing Serv & Buil	8,177	6,278	6,487	209	8,277	100	0	100
Housing Management Services	18,697	9,472	9,073	-399	18,052	-646	-113	-533
Housing Repairs & Compliance	38,081	19,040	19,721	681	37,561	-519	197	-717
Housing Asset Management	122	61	16	-46	82	-40	-17	-24
Housing Improvement Plan (HIP)	1,278	639	321	-318	1,245	-33	-27	-7
HRA budget release from Reserve	711	356	0	-356	711	0	0	0

HRA BUDGET 2025/26 - Q2	2025/26 Revised Budget	Q2 2025/26 YTD Budget	Q2 2025/26 YTD Actual	Q2 2025/26 YTD Var.	Q2 2025/26 Full Year Forecast	Q2 2025/26 Full Year Forecast Variance	Q1 2025/26 Full Year Forecast Variance	Movement Q2 v Q1 2025/26
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
HRA Expenditure	**145,562**	**47,469**	**43,114**	**(4,355)**	**139,189**	**(6,373)**	**(3,157)**	**(3,216)**
HRA - (Budgeted Surplus)	**(270)**	**(25,790)**	**(26,162)**	**(372)**	**(784)**	**(514)**	**574**	**(1,088)**

HRA BUDGET 2025/26 - Q2	2025/26 Revised Budget	Q2 2025/26 YTD Budget	Q2 2025/26 YTD Actual	Q2 2025/26 YTD Var.	Q2 2025/26 Full Year Forecast	Q2 2025/26 Full Year Forecast Variance	Q1 2025/26 Full Year Forecast Variance	Movement Q2 v Q1 2025/26
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Housing Revenue Account (HRA) - Income	(145,832)	(73,260)	(69,276)	3,983	(139,973)	5,859	3,731	2,128
Housing Revenue Account (HRA) - Expenditure	145,562	47,469	43,114	(4,355)	139,189	(6,373)	(3,157)	(3,216)
HRA - (Budgeted Surplus)	**(270)**	**(25,790)**	**26,162)**	**(372)**	**(784)**	**(514)**	**574**	**(1,088)**

1.2. The HRA is reporting a 514k underspend at Q2, which is a favourable movement of £1.088m compared to Q1 which was reporting a £574k overspend. This is an indication the mitigation which was put in place in Q1 have bought the previously reported overspend under control.

Housing Repairs & Compliance - £519k underspend

1.3. The Housing Repairs & Compliance service is currently projecting total spend of £37,561,400, which is an underspend of £519,260 against budget, across the whole of Repairs & Compliance, which is a favourable movement of £118,910 on the previous report.

1.4. This is mainly due to delays in recruitment to HRS posts and delays in the implementation of the new asbestos surveying contract in Building Compliance. The projected overspend in Repairs has reduced by £84,940 leading to an improved projected overspend of £231,850 across voids, historic repairs, and some unaccrued spend from 2024/2025. The overspend is also due to some increased contractor costs and reduced income. The forecast is dependent upon significant capitalisation of costs in the region of £2,000,000 that has yet to be processed. The overall underspend in M&E is £223,700 which is an improved position of £71,880 on the previous period, due mainly to delays in progressing the Broadwater Farm energy centre upgrades and lower costs in lift servicing. Building safety is forecasting an underspend of £635,090 which is an increased underspend of £257,670 on the previous forecast; due to the afore mentioned delays in implementing the new asbestos contract.

Housing Management- £646k underspend

1.5. The housing management areas show a forecast of £645k underspend – which is predicted at year end £18,051,624 against a budget of £18,697,340.

1.6. This is largely due to salaries and better controlled emergency decant costs being contained successfully. Growth items have not been filled, due to restructures in Support and Wellbeing Services postponed until November and Tenancy Services reorganisation in Oct.

1.7. Both these reorganisation proposals increase resources at the front line are now programmed later in the year to allow HR resources to focus on proposals requiring direct savings across Council services.

1.8. Tenancy Services have significantly reduced demand for expensive hotel, and emergency accommodation which is being monitored on a fortnightly basis with only 1 emergency hotel required in a 2-month cycle. There are only 5 secure tenancy cases in hotels which is a significant reduction since a high point in December 2024 at 48. This pressure still requires void units to be allocated given the nature of old stock, fire, flood and structural risks requiring temporary moves. Demand on damp and mould casework following enactment of Awaab's law from Oct 25 is being considered and planned for over coming months.

1.9. Estates and Neighbourhoods are likely to spend less than budgeted.

1.10. Homeownership Services are forecast to spend marginally above budget.

1.11. Income Services have performed well and for general needs tenancies, currently meeting their collection target.

1.12. Community & Resident Engagement will be on budget with increased resident activities including the big door knock events, principal contractor events and more support for residents' associations and more scrutiny by groups.

Other HRA Budget areas - £651k overspend

1.13. There is currently a forecast under recovery of rental income of £5.859m across general needs and hostel properties. This is being partially mitigated by a forecast underspend for capital financing costs £4.830m, due to forecasting to not achieve a full spend of the HRA capital programme at quarter 2, which results in lower than anticipated revenue borrowing costs. And a further underspend on 2025/26 annual leasehold insurance premium of £870k.

1.14. There are also minor forecast underspends for the Asset Management operational team and for the Housing Improvement Programme (HIP) budget, due to lower than anticipated costs for the estate parking management scheme (EPMS) project.

Capital Forecasts

SCHEME REF	SCHEME NAME	2025/26 Revised Budget @ QTR. 1 (£'000)	2025/26 QTR. 2 Adjust ments (£'000)	2025/26 QTR. 2 Revised Budget (£'000)	2025/26 QTR.2 Full year Forecast Outturn (£'000)	Budget Variance (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 2 & Qtr. 1 Forecast (£'000)	Scheme Progress Comments
202	Aids & Adaptations HRA	1,150	0	**1,150**	**1,150**	**(0)**	**Green**	**Amber**	**Green**	**0**	It is anticipated that the full budget will be realised by the end of the financial year. The amber alert refers to the fact that we are currently behind our scheduled spend profile. We are working Strategic Procurement to broker a faster procurement pathway to market. We are also expecting to appoint additional capacity to assist in helping to reduce the waiting list backlog.
550	New Homes Acquisitions	42,007	0	**42,007**	**41,985**	**(22)**	**Green**	**Amber**	**Green**	**(596)**	Some schemes taking longer to achieve significant spend due either to planning delays or building control delays. This will always be the case with new homes development as we cannot accurately predict, 12 months in advance, what small Site variations may occur to marginally delay significant expenditure.
551	TA Acquisitions	101,767	0	**101,767**	**101,767**	**0**	**Amber**	**Amber**	**Green**	**0**	Void costs for the 88 acquisitions to date and for the remainder of the year will be pushed to Q4 and into Q1 26/7 due to procurement of void contractor.
552	Carbon Reduction Works (Affordable Energy)	7,000	0	**7,000**	**4,318**	**(2,682)**	**Green**	**Amber**	**Amber**	**(597)**	Reduction of forecast in Q2 is due to delay in mobilising partnering contracts and delivery of wave 3 now due to commence in 2026/27. Wave 2.2 is in mobilisation, due to commence on site in Q3 to allow sufficient spend.
553	Fire Safety Works	10,891	0	**10,891**	**10,253**	**(638)**	**Green**	**Amber**	**Amber**	**(35)**	Q2 is reporting an underspend of £638k, in line with the Q1 position, with a small movement of -£35k. The variance is primarily due to delays in the AFD programme and reduced forecast for fire door replacements due to procurement delays.

SCHEME REF	SCHEME NAME	2025/26 Revised Budget @ QTR. 1 (£'000)	2025/26 QTR. 2 Adjust ments (£'000)	2025/26 QTR. 2 Revised Budget (£'000)	2025/26 QTR.2 Full year Forecast Outturn (£'000)	Budget Variance (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 2 & Qtr. 1 Forecast (£'000)	Scheme Progress Comments
554	Broadwater Farm Works	19,713	0	**19,713**	**5,849**	**(13,864)**	**Green**	**Red**	**Green**	**(42)**	There is a significant underspend reported on this capital line due to delays with both planning approval for the pilot schemes and delays linked to the new regulator for Building Safety. These issues have pushed all expenditure out of this financial year for the pilot schemes. There have also been further delays linked to the demolition of the Tangmere site following delays with UKPN who are required to relocate high voltage cables on the estate. Expenditure will be re-profiled through the business planning process.
555	High Road West HRA	1,536	0	**1536**	**600**	**(936)**	**Green**	**Amber**	**Amber**	**0**	Delivery strategy for HRW under review between Council and Lendlease due to viability issues, with aim to unlock early council home phase for development. Acquisition of council homes, which is main cost under this budget line, has been delayed pending outcome of this review. Projected spend for remainder of FY 2025/26 is project on-costs including staff salaries.
557	Broadwater Farm New Build	17,096	0	**17,096**	**16,629**	**(467)**	**Green**	**Green**	**Green**	**(467)**	Small reduction in spend due minor changes across the new build programme.
590	Major Works (Haringey Standard)	54,400	0	**54,400**	**28,570**	**(25,830)**	**Green**	**Amber**	**Amber**	**(20,990)**	Reduction in forecast at end of Q2 due to delays in mobilising partnering contract, delays in works planned to HRBs due to timescales for obtaining the necessary Building Safety Regulator gateway approvals & further slippage on Noel Park Pods programme due to requirement to obtain additional funding for completion of scheme.

SCHEME REF	SCHEME NAME	2025/26 Revised Budget @ QTR. 1 (£'000)	2025/26 QTR. 2 Adjust ments (£'000)	2025/26 QTR. 2 Revised Budget (£'000)	2025/26 QTR.2 Full year Forecast Outturn (£'000)	Budget Variance (£'000)	RAG Status on: Budget	RAG Status on: Time	RAG Status on: Scope	Variance Btw. Qtr. 2 & Qtr. 1 Forecast (£'000)	Scheme Progress Comments
599	New Homes Build Programme	86,093	0	**86,093**	**70,823**	**(15,270)**	**Green**	**Amber**	**Green**	**(1,550)**	It is a function of some schemes taking longer to achieve significant spend due either to planning delays, or building control delays. This will always be the case with new homes development as we cannot accurately predict, 12 months in advance, what small Site variations may occur to marginally delay significant expenditure.
TOTAL HRA CAPITAL PROGRAMME		**341,653**		**341,653**	**281,944**	**(59,709)**				**(24,276)**	

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Appendix 8 – Proposed Virements (Revenue and Capital)

1.1 Proposed GF Revenue Virements for Quarter Two (2025/26)

Revenue Virements for Noting

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) £'000	Reason for budget changes	Description
Environment and Resident Experience	Parking and Highways	4	1,833	Transfer to Non-Service Contingencies	Allocating the agreed E&RE 5% FTE saving from corporate budget to the Directorate
Environment and Resident Experience	Parking and Highways	5	1,148	Transfer from Non-Service Contingencies	Drawdown from Non-Service Contingencies to cover inflation for Highways & Veolia Contracts for 2025/26
Corporate items	Various	5	4,962	Transfer from Non-Service Contingencies	Drawdown from Non-Service Contingencies to cover Pay Award
Adults, Health and Communities	Adult Social Services	5	3,000	Non-Service Contingencies	Drawdown from Non-Service Contingencies to address cost pressures in Adult Social Services
Total virements for Noting			10,944		

Revenue Virements for Approval

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) £'000	Reason for budget changes	Description
Adult's Housing and Health	Adult Social Services	4	40,610	Budget Realignment	Redistribution of MTFS Savings and increased budget within the directorate
Adult's Housing and Health	Adult Social Services	4	11,859	Grant Funding Allocation	Allocation of the Social Care Support Grant within the directorate

Revenue Virements for Approval

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) £'000	Reason for budget changes	Description
Adult's Housing and Health	Adult Social Services	4	67,153	Budget Adjustment	Reallocation of MTFS Savings and increased budget within the directorate
Adult's Housing and Health	Various	5	30,969	Grant Allocation	Realignment of 2025/26 Public Health budgets including the transfer of Public Health grants into the service budgets
Adult's Housing and Health	Adult Social Services	5	2,664	Grant Allocation	Allocation of the MHCLG Care Support Grant
Children's Services	High Needs Block	6	5,160	Grant Allocation	Allocation of the High Needs Block Grant 2025/26
Children's Services	Early Years	6	17,521	Grant Allocation	Allocation of the Early Years Block grant for 2025/26
Finance and Resources	Corporate Property Model	4	788	Budget Reallocation	Reallocation of budget from Ashley Road Depot (now demolished) to Watermead Way
Finance and Resources	Strategic Procurement	6	717	Budget Realignment	Budget Realignment within Strategic Procurement to reflect restructure
Culture, Strategy and Communities	Placemaking & Communities	4	6,326	Budget Realignment	Realignment of budgets within Placemaking and Communities to more accurately reflect spending
Culture, Strategy and Communities	Placemaking & Communities	5	1,248	Budget Realignment	Realignment of budgets within Placemaking and Communities to more accurately reflect spending
Environment and Resident Experience	Parks and Leisure	4	8,033	Budget Realignment	Realignment of budgets within Parks and Leisure to more accurately reflect spending
Environment and Resident Experience	Parking and Highways	4	894	Grant Allocation	Allocation of 2025/26 Mayor's Office for Policing and Crime (MOPAC) Grant

Revenue Virements for Approval

Directorate	Service/AD Area	Period	Budget Adjustment (Virement) £'000	Reason for budget changes	Description
Environment and Resident Experience	Parking and Highways	5	1,881	Budget Realignment	Realignment of Waste Enforcement budget to more accurately reflect actual expenditure in 2025/26
Environment and Resident Experience	Customer Services	6	865	Budget Realignment	Customer Services Budget Realignment to better reflect expenditure for 2025/26
Corporate items	Unallocated Core Grants	6	10,838	Budget Realignment	Realignment of specific government grants onto newly created grant codes
Housing Revenue Account	Haringey Repairs Service	4	1,450	Budget Reallocation	Budget realignment within the Haringey Repairs Service to more accurately reflect actual spending
Housing Revenue Account	Various	5	7,346	Budget Realignment	Realignment of salary budgets within the directorate to more accurately reflect actual spending in 2025/26
Housing Revenue Account	Various	5	1,500	Budget Realignment	Budget realignment of the Pay Award to more accurately reflect salary expenditure for 2025/26
Total virements for Approval			**217,821**		
Total All Q2 Virements			**228,765**		

1.2 Proposed GF Capital Virements for Quarter Two (2025/26)

Directorate	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Adults, Housing & Health	201	Aids, Adaptation & Assistive Tech -Home Owners (DFG)	10	Disabled Facilities Grant Budget adjustment
			10	
Environment & Resident Experience	333	Waste Management	369	Department for Environment Food, and Rural Affairs for Food Waste Collection Capital Allocation received in FY 2024/25
Environment & Resident Experience	333	Waste Management	(321)	Capital Slippage deferred to 2026/27
Environment & Resident Experience	305	Borough Parking Plan	150	Department for Transport Grant for Electric Vehicle Charging Points
Environment & Resident Experience	311	Parks Asset Management:	119	Network rail grant re: remediation of contaminated silt in Markfield Park
Environment & Resident Experience	313	Active Life in Parks:	932	Football Foundation Grant re: Various Haringey Play Zones
Environment & Resident Experience	313	Active Life in Parks:	30	Oliver Tambo Rec Play grant (LMT - London Marathon Trust)
Environment & Resident Experience	313	Active Life in Parks:	50	Stationers Park Play grant from LMT
Environment & Resident Experience	313	Active Life in Parks:	50	Duckett Common MUGA grant - from Access Sports (British Basketball Association)
Environment & Resident Experience	313	Active Life in Parks:	167	2025/26 & 2026/27 S106 grant award / allocation
Environment & Resident Experience	311	Parks Asset Management:	20	Tewkesbury Terrace (Crowd Funding by The Friend of the Green (Bounds Green)
Environment & Resident Experience	328	Street & Greenspace Greening Programme	50	TFC grant for planting fees for the tree sponsorship scheme

Directorate	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Environment & Resident Experience	328	Street & Greenspace Greening Programme	15	Urban Tree Challenge Fund (UTCF5)
Environment & Resident Experience	328	Street & Greenspace Greening Programme	20	Urban Tree Challenge Fund (UTCF6)
Environment & Resident Experience	328	Street & Greenspace Greening Programme	38	Local Authority Treescape Fund (LATF)
Environment & Resident Experience	309	Local Implementation Plan(LIP)	1,397	Budget adjustment to reflect the 2025/26 TfL LIP capital award/allocation
Environment & Resident Experience	335	Streetspace Plan	(125)	Deletion of budget double counting / duplication in line with SCIL allocation
Environment & Resident Experience	119	School Streets	(638)	Deletion of budget double counting / duplication in line with SCIL allocation
Environment & Resident Experience	4014	Walking and Cycling Action Plan (WCAP) LTN delivery	(360)	Deletion of budget double counting / duplication in line with SCIL allocation
Environment & Resident Experience	4015	Walking and Cycling Action Plan (WCAP) Strategic cycle route delivery	(534)	Deletion of budget double counting / duplication in line with SCIL allocation
Environment & Resident Experience	4016	Walking and Cycling Action Plan (WCAP) Cycle Parking (Hangers) delivery	(118)	Deletion of budget double counting / duplication in line with SCIL allocation
Environment & Resident Experience	338	Road Danger Reduction	(1,269)	Deletion of budget double counting / duplication in line with SCIL allocation
			42	

Directorate	Scheme Number	Scheme Description	Budget Adjustment (Virement) (£'000)	Scheme Description
Culture, Strategy & Communities	480	Wood Green Regen (2)	486	2025/26 UKSPF capital grant award - Penstock Tunnel
Culture, Strategy & Communities	493	Your Bruce Grove	87	2025/26 UKSPF capital grant award - Chestnut Road
Culture, Strategy & Communities	402	Tottenham Hale	100	2025/26 UKSPF capital grant award - Tottenham Hale (Wayfinding)
Culture, Strategy & Communities	421	HRW Acquisition	(861)	Capital Slippage deferred to future years
Culture, Strategy & Communities	480	Wood Green Regen (2)	(1,028)	Capital Slippage deferred to future years
Culture, Strategy & Communities	488	Your Seven Sisters	(1,323)	Capital Slippage deferred to future years
			(2,539)	
Finance & Resources	316	Asset Management of Council Buildings	(1,373)	Capital Slippage deferred to future years
			(1,373)	
		OVERALL TOTAL =	**(3,860)**	

APPENDIX 9 – Write off Summary

Write off Summary Report - Quarter 2

1.1 All Council debt is considered recoverable. The Corporate Debt Management Service makes every effort to collect charges due to the Council. However, in some circumstances it is appropriate to write off a debt when all forms of recovery action have been exhausted.

1.2 This quarterly update is for information purposes only, which details the debts that were submitted for write off for the period 1st July 2025 to 30th September 2025 **(Q2).** These relate to delinquent accounts where all forms of recovery action had been fully exhausted.

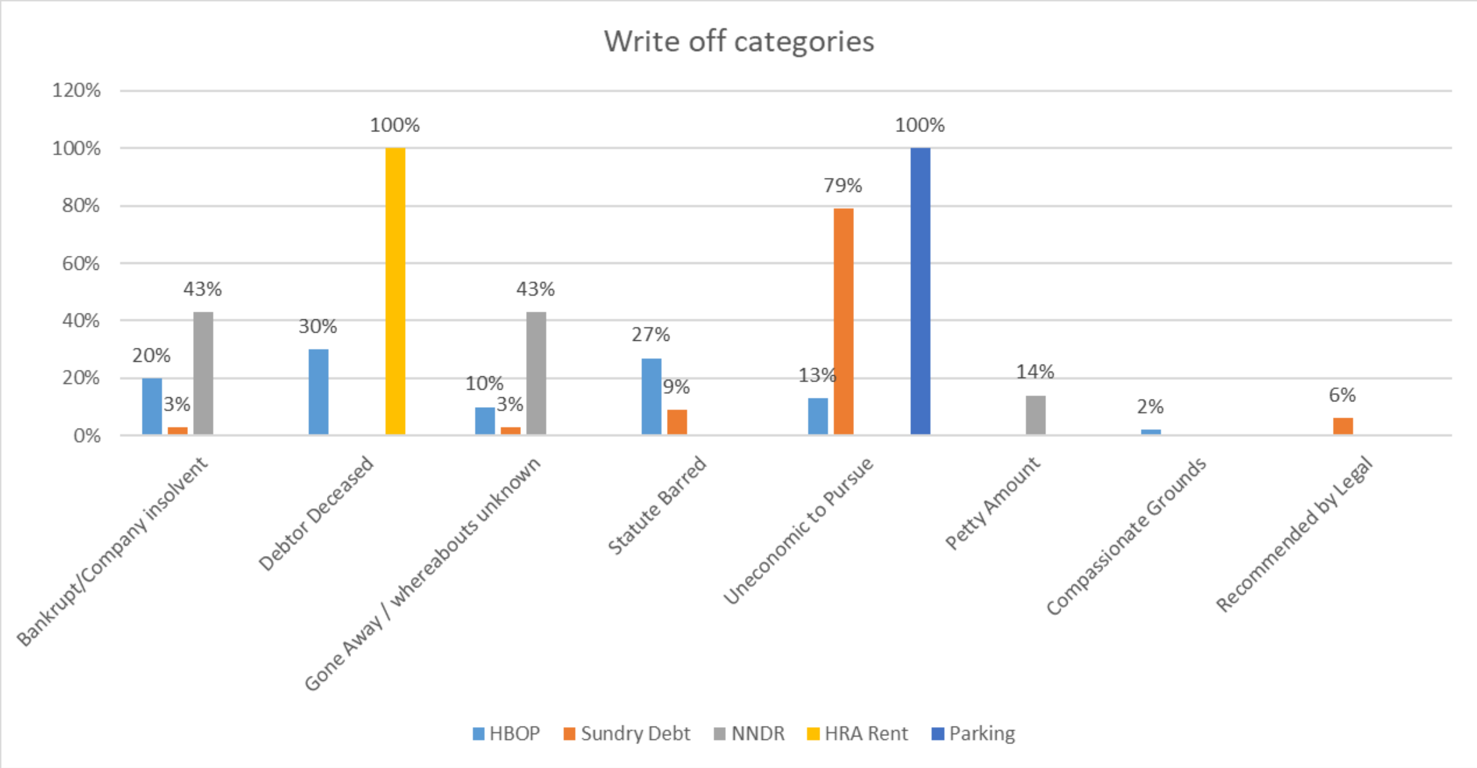
1.3 Council Debt is written off in line with the instructions set out within the Financial Regulations, following Legal advice, Court instruction or in accordance with the Limitations Act 1980. These sums have all been approved by the Corporate Director of Finance and Resources under her delegated authority and, where appropriate, the Lead Member for Finance and Resources.

1.4 The table below summarises the Q2 write off by service type, value and volume.

	Quarter 2 Write Off, Financial Period 1st July 2025 - 30th Sept 2025								
Service	**Council Tax**	**NNDR (Business Rates)**	**HBOP (Housing Benefit Overpayments)**	**HRA Rent**	**Leaseholder**	**Commercial Rent**	**Sundry Debt**	**Parking**	**Total**
Under £50k	£0.00	£100,953.68	£125,480.08	£272,061.04	£0.00	£0.00	£83,355.76	£3,946,969.00	£4,528,819.56
Volume	0	61	71	72	0	0	31	19643	19878
Over £50k	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£315,222.00	£0.00	£315,222.00
Volume	0	0	0	0	0	0	2	0	2
Total Value	**£0.00**	**£100,953.68**	**£125,480.08**	**£272,061.04**	**£0.00**	**£0.00**	**£398,577.76**	**£3,946,969.00**	**£4,844,041.56**
Total Volume	**0**	**61**	**71**	**72**	**0**	**0**	**33**	**19,643**	**19,880**

1.5 There are two cases over £50,000, totalling £315,222. One relates to a £150,000 business loan issued through the Opportunity Investment Fund. The other relates to rent overpayments amounting to £165,222, made to a provider of temporary accommodation for adults and families. (see appendix 9B).

1.6 The category composition of the above write offs is shown below.



Appendix 9B – Debt Write Off (includes less than £50,000 and greater than £50,000)

Debt Write off Greater than £50,000

1.1 All large businesses or organisations expect a certain level of income to become irrecoverable and therefore plan for some level of write-off. Occasionally, for a variety of reasons, debts do arise which become irrecoverable. Under Haringey's constitution, debts of £50,000 or more require the approval of the Cabinet member for Finance or Cabinet.

1.2 Two debts over £50,000 has been approved for write off in this quarter and set out below. The Council's bad debt provisions are sufficient to cover the full value of this write-off.

1.3 Company A - £165,222– This debt is in relation to a company providing temporary accommodation.

1.4 Company B - £150,000– This debt is in relation to a loan provided via the Opportunity Investment Fund (OIF) programme.

Report for:	Cabinet – 9 December 2025
Item number:	11
Title:	Housing Revenue Account Business Plan and Budget 2026/27 Proposals
Report authorised by :	Taryn Eves, Corporate Director for Finance and Resources
Lead Officer:	Kaycee Ikegwu – Head of Finance
Ward(s) affected:	All
Report for Key/ Non Key Decision:	Key

1. Describe the issue under consideration.

1.1 The Housing Revenue Account (HRA) covers income and expenditure relating to the Council's own housing stock. It is an account that is ring-fenced from the Council's general fund as required by the Local Government Act 1989.

1.2 Every year, the Council sets a business plan for its Housing Revenue Account (HRA). This business plan considers projected income and expenditure over a 10- and 30-year period and the income generated from tenants and leaseholders is used solely for the purpose of investment in its homes, in delivering new council homes, and providing good quality services to its tenants and leaseholders.

1.3 The HRA and the services that the Council provides for its Council tenants and leaseholders are governed through the Social Housing (Regulation) Act 2023 which introduces a new regulatory framework, with a greater emphasis on residents' engagement. The HRA must ensure its management function of its housing stock is robust, offers good value for money and meets the needs of all its residents.

1.4 This report provides an update on the aims and ambitions across the medium and long term and proposals for the 2026/27 budget which will be presented at Council in March 2026 for approval. It provides details of the assumptions for forecast income and therefore planned expenditure for next year as well as an update on the future financial outlook for the HRA.

1.5 The HRA supports the delivery of the Council's Housing Strategy 2024-2029 which sets out Haringey's approach to all housing in the borough and sets specific objectives and targets for its own housing stock, to significantly invest in improving its existing homes and to provide good quality services as a landlord of social housing to its tenants and leaseholders as well as delivering the Council's ambition to deliver 3,000 new council homes by 2031. Delivery of the Housing Strategy must be underpinned by a strong and sustainable HRA.

2 **Cabinet Member Introduction**

2.1 Housing is about fairness. Everyone should have a home that is affordable, safe, warm, and comfortable - a home that meets their needs and supports their wellbeing.

2.2 In Haringey, we are taking bold action. We are prioritising affordable housing, delivering thousands of new council homes at council rents and renovating thousands more to ensure they are fit for the future.

2.3 Our Housing Revenue Account is being directed towards these priorities - affordable, high-quality homes for residents and investing in our communities

2.4 This means:

- Delivering 3000 new council homes by 3,000 new high-quality council homes by 2031. With 2,000 underway and over already 840 complete

- Investing nearly £600m to bring our existing stock up to standard through our majors works programme that includes:
  - Renovating kitchens and bathrooms
  - Better insulation and efficient boilers - cutting heating costs and carbon emissions
  - Improving safety measures - including CCTV and secure access

2.5 Like all budgets, the Housing Revenue Account has faced significant pressure from inflation and high interest rates, which have driven up the cost of building and repairs. We are taking steps to ensure that we achieve our priorities whilst ensuring the budget remains sustainable for the long term. This report sets out how we will achieve that.

3 **Recommendations**

3.1 It is recommended that Cabinet:

a) Note the HRA's current financial position as set out in this report which sets the foundations for the full draft budget for 2026/27 and 2026/27-30/31 Business Plan

b) Note that the final HRA 2026/27 Budget and 2026/27-30/31 Business Plan will be presented to Cabinet on 10 February 2026 to be recommended for approval to the Full Council meeting taking place on 2 March 2026.

4 **Reasons for decision**

4.1 The Council must legally set a balanced HRA budget and have a sustainable HRA Business Plan to ensure that it is able to manage and maintain its homes, provide services to tenants and leaseholders and build much needed new Council homes.

5 **Alternative options considered**

5.1 Not Applicable

6 Background information

6.1 The Housing Revenue Account (HRA) is the Council's record of the income and revenue expenditure relating to council housing and related services. Under the Local Government and Housing Act 1989, the HRA is ring-fenced and cannot be subsidised by the General Fund, including through increases in council tax. Equally, any surplus in the HRA or balances held in reserves cannot be transferred to the General Fund. Since April 2012, the HRA has been self-financing. Under self-financing, Councils retain all the money they receive from rent and use it to manage and maintain their homes.

6.2 The Council sets a medium and long-term Business Plan for its HRA. This allows the Council to plan for investment in its housing stock, investment in building much needed new council housing for the borough and to ensure that services for tenants and leaseholders continue to be delivered.

HRA Financial Plan Overview

6.3 The 30-year HRA Business Plan is based a long-term assessment of the need for investment in Council homes. The plan includes the development and acquisition of new housing, the acquisition of existing homes, investment in existing housing to ensure its long-term sustainability, and other cyclical maintenance requirements. It also incorporates forecasts of income streams, interest levels and inflation.

6.4 The plan includes the modelling of the planned revenue and capital spending, the implications of all planned work in the HRA to deliver council priorities and provides the basis for understanding the affordability of current capital programme delivery plans and assessing options to ensure a viable HRA over a longer period. It considers the build costs, inflation, exposure to housing market volatility and delivery capacity within the Council.

6.5 The cost of capital financing presents a level of challenge and difficulty in delivering the investment needed now and the viability of the HRA in the medium to long-term. In addition, the need to reduce expenditure on repairs and the high level of voids – following historic under-investment in the housing stock - presents a further significant strain on the HRA.

6.6 This Business Plan factors in the best estimates and assumptions on cost inflation, pay award, voids rate, bad debt provision, borrowing rate, potential grants, receipts from market sales, continued investment in repairs, and legal disrepair/compensation costs. These have all been factored into the proposed budget for next year and across the medium term.

6.7 The plan recognises that to undertake the proposed extensive investment programme, the HRA must be viable now and in the future. It also recognises that there will be ongoing reviews to update and test viability before future programmes of investment are released. One of the measures of viability of the HRA is the annual revenue contribution to capital outlay (RCCO), which reduces the need for external borrowing. RCCO is the revenue surplus after expenditure; and it is key in assessing the HRA's resilience.

6.8 Previously, the plan had an ambition to deliver a £8m minimum annual surplus. This has become increasingly difficult to due to the level of planned investment in existing stock and new build programmes. However, the plan seeks to maintain a positive RCCO in the medium term while the HRA reserve balance of £20m provides an appropriate level of financial cover, in recognition of the risks such as changes in government policies, operational factors and those associated with an extensive development programme.

6.9 In the current iteration of the Business Plan as detailed in this report, the revenue surplus is forecast at £0.65m in 2026/27 and £3.8m for the entire MTFS period. Work is still on-going and will continue over the next 12 months to ensure that further efficiencies and savings are identified to increase the level of RCCO and maintain a positive RCCO in all the years of the current MTFS period.

6.10 In July 2025, government announced (as part of the Spending Review) that there will be a 10-year rent settlement for social housing from 1 April 2026 in which rents will be permitted to increase by CPI+1% per annum and this plan includes proposed rent increase in 2026/27 of 4.8% is based on September CPI of 3.8% plus 1%.

6.11 Alongside this was a consultation on rent convergence. The convergence would allow rents for Social Rent properties that are currently below 'formula rent' to increase by a proposed £1 or £2 each year, over and above the CPI+1% limit, until they 'converge' with formula rent.

6.12 This will have a positive impact on the HRA surplus but has not been reflected in this December draft report as the Council awaits confirmation from government on the details of the rent convergence, if any. It is expected that details will be confirmed in January, and the implications will be reflected in the February 2026 report to Cabinet.

2025/26 Quarter 2 (Q2) Financial Position

6.13 In March 2025, Cabinet approved the HRA budget for 2025/26 and it was projected to achieve a surplus of £0.269m. At end of Quarter 2, the HRA is projected to achieve a surplus of £0.514m. This represents a £0.245m improvement against the budgeted surplus.

6.14 However, the HRA is still facing huge pressures in repairs and voids. There is forecast underachievement of income due to high levels of voids. This is mitigated by the forecast reduction in capital financing costs. Further details on this and mitigations are contained in the Quarter 2 monitoring report to Cabinet in December 2025.

HRA Income

6.15 The main sources of income to the HRA are rents and service charges. It is therefore essential to the sustainability of the HRA that the Council collects rent and service charges effectively and supports tenants to pay their rent and service charges in full.

6.16 The Council's Financial Inclusion Team works to support Haringey tenants and leaseholders who might be facing financial difficulties. They do this by working with tenants, ensuring they are able as best possible to access good quality work, and ensuring that they are accessing all benefits to which they are entitled. In turn, this means that tenants and leaseholders are better able to pay their rent and service charges, which supports the long-term sustainability of the HRA.

Housing Rent - Existing Council Tenants

6.17 The Council is required to set the rent increases in council-owned homes every year but there are strict limits for existing tenants. From 2020/21, the government has permitted Local Authorities in England to increase existing tenants' rents by no more than the Consumer Price Index (CPI), at September of the previous year, plus 1%. This is going to continue over the next 10 years as announced in July 2025. However, it should be noted that this comes after a government policy of reducing council rents, which in turn impacted the long-term viability of HRAs and the ability to invest sufficiently in housing stock.

6.18 Therefore, the proposed rent increase in 2026/27 of 4.8% is based on September CPI of 3.8% plus 1%.

6.19 On this basis, the proposed average weekly rents for general needs and sheltered/supported housing will increase by £6.64 from £138.38 to £145.02 in 2026/27. There is a range of rents across different sizes of properties. Table 1 below sets out the proposed average weekly rents by property size based on the rent increase of 4.8% for 2026/27 with effect from 6th April 2026.

Table 1: Proposed Average Weekly Rent 2026/27

Number of Bedrooms	Number of Properties	Current average weekly rent 2025/26	Proposed average weekly rent 2026/27	Proposed average rent increase	Proposed percentage increase
Bedsit	135	£119.40	£125.13	£5.73	4.8%
1	5,529	£121.25	£127.07	£5.82	4.8%
2	5,411	£138.64	£145.29	£6.65	4.8%
3	3,788	£155.31	£162.76	£7.45	4.8%
4	635	£175.99	£184.44	£8.45	4.8%
5	110	£199.28	£208.85	£9.57	4.8%
6	16	£206.00	£215.89	£9.89	4.8%
7	2	£196.37	£205.80	£9.43	4.8%
All dwellings	**15,626**	**£138.38**	**£145.02**	**£6.64**	**4.8%**

Formula Rent and Rent Caps

6.20 Central Government, through the Regulator of Social Housing, also sets the formula for calculating social housing rents in new tenancies.

6.21 The national formula for setting social rent is intended to enable Local Authorities to set rents at a level that allows them to meet their obligations to their tenants, maintain their stock (to at least Decent Homes Standard) and continue to operate a financially viable HRA, including meeting their borrowing commitments.

6.22 The formula is complex and uses national average rent, relative average local earnings, relative local property values, and the number of bedrooms to calculate the formula rent.

6.23 Formula rents are subject to a national social rent cap. The rent cap is the maximum level to which rents can be increased to in any one financial year, based on the size of the property. Where the formula rent would be higher than the rent cap for a particular property, the national social rent cap must be used instead. Formula Rent and Rent caps for 2026/27 are as shown below in table 2a and 2b.

Table 2a: 2026/27 Formula Rents (+rent flexibility)

Number of Bedrooms	2026/27 Average Formula Rent
1 and bedsits	£130.25
2	£154.23
3	£176.76
4	£204.58
5	£235.34
6 or more	£246.50

Table 2b: 2026/27 Rent Caps

Number of Bedrooms	2026/27 Rent Cap
1 and bedsits	£204.35
2	£216.34
3	£228.36
4	£240.37
5	£252.39
6 or more	£264.41

Housing Rent - New Council Tenants

6.24 Rents for new tenancies are set according to a formula (hence the term 'formula rent'). This is for new tenancies in either a relet of an existing council home, or a newly build council home.

6.25 The Government's Policy statement on rents for social housing also includes provision for social landlords to apply a 5% flexibility on formula rents: '*The government's policy recognises that registered providers should have some discretion over the rent set for individual properties, to take account of local factors and concerns, in consultation with tenants. As a result, the policy contains flexibility for registered providers to set rents at up to 5% above formula rent (10% for supported housing – as defined in paragraphs 2.39-2.40 below). If applying this flexibility, providers should ensure that there is a clear rationale for doing so which takes into account local circumstances and affordability*.'

6.26 The HRA Business Plan approved in March 2024, applied this 5% flexibility to formula rents. This was to ensure that, in the ongoing challenging financial climate, the Council could continue to meet its obligations to its tenants by investing in its stock, ensure that all homes meet at least the decent homes standard, ensure that homes meet the council's sustainability objectives and ensure homes are warm and cheaper to heat for tenants while still setting a balanced HRA. This continues to be the Council's policy for all newly-set formula rents.

London Affordable Rent

6.27 London Affordable Rent (LAR) was introduced by the Mayor of London in 2016 as a social housing product for new affordable homes funded by Building Council Homes for Londoners (BCHFL) grant. It reflects the 2015/16 formula rent cap uprated by CPI plus one per cent every year. These LAR rents are at the same level anywhere in London. LAR homes are let by councils on secure tenancies, and by other registered providers.

6.28 The BCHFL grant programme allocated grant on the basis that homes for low-cost rent would be let at London Affordable Rent (LAR) rather than formula rent. The historically relatively low level of grant – a flat rate of £100,000 per unit – reflected that expectation.

6.29 In the 2023/24 HRA Business Plan it was agreed to let homes built as part of the GLA's 2016-2021 programme at LAR.

6.30 Table 3 below shows London Affordable Rents for 2026/27. This represents an uplift on 2025/26 LAR Rents by September CPI plus 1%.

Table 3: 2026/27 LAR

Number of Bedrooms	2026/27 LAR
1 and bedsits	£216.80
2	£229.53
3	£242.28
4	£255.03
5	£267.78
6 or more	£280.52

Rent for other homes held in the HRA.

Homes acquired and leased to the HCBS.

6.31 All properties acquired since 1 April 2019 for housing homeless households held in the HRA are leased to the Haringey Community Benefit Society (HCBS) and let by the HCBS at Local Housing Allowance (LHA) rent levels.

6.32 The HRA financial plan includes in its income the lease charges to the HCBS for a maximum period of seven (7) years from the time of acquisition. From year eight (8), it recognises incomes from these properties at formula rent, with the normal annual rent increases of CPI plus 1%, as these properties are assumed will revert to the HRA after 7 years of lease.

6.32.1 However, Secretary of State approval is currently being considered to extend the period of these leases. If this is granted, the HRA plan will be updated to continue to recognise the income (lease charges to HCBS) beyond year 7. This will lead to additional income in the HRA in later years.

6.33 From 6 April 2026, all other council-owned properties, in the HRA, used as temporary accommodation under a Council non-secure tenancy or licence will have proposed rent increases of 4.8% (CPI + 1%).

6.34 Rents for existing Council owned properties (including new Lodges) will be increased by CPI + 1% as permitted by the Rent Standard. Service charges are set at a level to recover the full costs of those services.

6.35 The rent element for new tenants is currently limited to formula rent plus 5% for self-contained homes and plus 10% for Birkbeck Lodge, plus full recovery of the cost of providing services.

6.36 There may be circumstances where rents are not governed by the Rent Standard. Where the Rent Standard does not apply to properties held in the HRA, that rents will be set at a level that is fully payable through housing benefit or universal credit. Service charges are set at a level to recover the full costs of services provided.

Shared Ownership Rents

6.37 There are a small number of shared ownership properties in the HRA, and their rents are to be increased in line with their contracts, typically January RPI +0.5%. The RPI for January is expected to be published in February 2026 and an update on the actual increase will be provided in the final business to Cabinet in February. The Government announced in 2024 that for new shared ownership properties the rent on the unsold portion is to be increased by CPI +1%.

Tenants' Service Charges

6.38 In addition to rents, tenants pay charges for services they receive which are not covered by the rent.

6.39 Service charges must be set at a level that recovers the cost of the service, and no more than this. Charges are calculated by dividing the budgeted cost of providing the service to tenants by the number of tenants receiving the service. Therefore, a flat rate is charged to tenants receiving each service and the weekly amount is fixed. The amount tenants pay increases where the cost of providing the service is anticipated to increase. Equally, charges are reduced when the cost of providing the service reduces or where there has been an over-recovery in the previous year.

6.40 The Council's policy is to fully recover the cost of providing a service to tenants. Service charges are covered by housing benefit and Universal Credit, so any tenant in receipt of these benefits will have these costs covered.

6.41 The services tenants currently pay for are listed below:

- Concierge
- Grounds maintenance
- Caretaking
- Street sweeping (Waste collection)
- Estates road maintenance
- Light and power (Communal lighting)
- TV aerial maintenance
- Door entry system maintenance
- Sheltered housing cleaning service
- Good neighbour cleaning service
- Window cleaning service
- Converted properties cleaning
- Heating

6.42 Tenants living in sheltered and supported housing also pay the following additional support charges:

- Sheltered Housing Charge
- Good Neighbour Charge
- Additional Good Neighbour Charge

6.43 The applicable charges proposed for 2026/27 are as shown in table 4 below.

Table 4 – Proposed Tenants' Service Charges with effect from 6th April 2026

Tenants' Service Charges	Current Weekly Charge 2025/26	Draft Proposed Weekly Charge 2026/27	Increase / Decrease	
Property Charges:				
Concierge	£27.39	£27.84	£0.45	1.6%
Grounds Maintenance	£3.15	£3.23	£0.08	2.6%
Caretaking	£9.25	£9.75	£0.50	5.4%
Street Sweeping	£8.54	£8.92	£0.38	4.5%
Estates Road maintenance	£0.77	£0.80	£0.03	3.5%
Communal Lighting (Light & Power)	£3.45	£3.24	-£0.21	-6.1%
TV aerial maintenance	£0.38	£0.39	£0.01	1.8%
Door entry system maintenance	£1.12	£1.05	-£0.07	-6.2%
Sheltered housing cleaning service	£2.72	£2.79	£0.07	2.6%
Good neighbour cleaning service	£1.85	£1.85	-£0.00	-0.2%
Window cleaning	£0.69	£0.72	£0.03	4.6%
Landlord Communal Inspection (Converted properties cleaning)	£5.06	£5.25	£0.19	3.7%
Sheltered Housing Blocks Heating	£12.94	£12.45	-£0.49	-3.8%
Garton House / Lowry House Heating	£11.42	£10.99	-£0.43	-3.8%
Ferry Lane Estate / Runcorn Heating	£15.15	£14.57	-£0.58	-3.8%
Rosa Luxemburg - District Heating 8	£5.35	£5.15	-£0.20	-3.8%
William Atkinson House Heating	£13.37	£12.86	-£0.51	-3.8%
Broadwater Farm DEN Heating	£15.41	£14.82	-£0.59	-3.8%
Support Charges:				
Sheltered Housing Charge	£35.68	£36.93	£1.25	3.5%
Good Neighbour Charge	£15.24	£15.77	£0.53	3.5%
Good Neighbour Charge (Larkspur Close & Stokley Court)	£18.80	£19.46	£0.66	3.5%

<u>Heating charges</u>

6.44 The Council has two types of heating charges: flat rate charges and metered charges. The heating charges reflect the projected usage in the blocks and projected energy rates for 2026/27. The tariffs for 2026/27 will be set out in the report to Cabinet in February 2026.

Rent Consultation

6.45 There is no requirement for tenant consultation on existing rents and service charge increases (but there is a duty to notify tenants of such increases once a decision has been made). Haringey Council's rents are set in accordance with government rent standard and no new charges are being introduced for the tenants' service charges. Tenants must be given at least four weeks' notice before the new rents and service charges for 2026/27 start on 6th April 2026.

6.46 Despite the fact that there is no requirement to consult on the HRA business plan, the Council will present plans and seek feedback and recommendations from tenants and leaseholders via existing engagement channels, prior to presenting the final business plan.

HRA Revenue Expenditure

6.47 Significant items of revenue expenditure in the HRA include repairs costs (£39.57m), housing management costs (£35.02m), capital financing charges (£34.84m) and contribution to major repairs (£24.96m). These four items constitute approximately 83% (£134m) of the total expected HRA expenditure (£161m) in 2026/27.

6.48 The proposed spend on repairs to the housing stock presents a significant strain on the HRA. The increase in the cost of repairs shows the Council's commitment to providing a good, timely, repairs service, in line with the new responsive repairs policy agreed by Cabinet in October 2024.

6.49 It is expected that as the significant investment into improving homes increases in the coming years, as described below, the number of repairs and therefore the cost of repairs will come down.

6.50 Additionally, the cost of repairs includes the cost of bringing void properties back into use – in other words, when a home is vacated and ready to be relet, works are carried out to bring the home up to the required standard. When new homes are delivered through the housing delivery programme, they are often let in the first instance to existing local tenants through the Neighbourhood Moves Scheme. Although these homes are offered in the first instance to tenants who are freeing up a large home and are downsizing to their new home (and therefore allowing larger family homes to be let to households who need these) and then to overcrowded households; households who have no housing need are also allowed to move to new homes through the Neighbourhood Moves Scheme. This means that void costs are incurred without meeting housing need. Amending the Neighbourhood Moves Scheme could therefore lead to reduced void costs. Any change to the Neighbourhood Moves Scheme would need to be implemented through an amended Housing Allocations Policy.

6.51 The management cost is also significant and is necessary to ensure that tenants and leaseholders are provided with a good quality service from the council.

6.52 The capital financing charge is the interest on HRA loans and internal funding and is budgeted at £1.6m above the 2026/27 level that was assumed in March 2025 with a 0.1% increase in rate assumption and re-financing of internal loans. These are projected to be re-financed at a slightly higher rate.

6.53 Contribution to major repairs (depreciation) is a cash charge to the HRA to reflect the need to finance the replacement of components within HRA homes over time. The depreciation charges to the HRA are transferred into the Major Repairs Reserve (MRR). The Major Repairs Reserve is used to build up capital sums that can be used to finance the capital programme.

6.54 The proposed HRA capital programme supports the delivery of over £3.39bn investment in the Council's existing stock over the next 30 years, and the delivery of over 3,000 new council homes by March 2031.

6.55 There are of course risks, such as the impact of the current inflation and interest rate rises on collection of rent, capacity to build, and overall sustainability of the HRA. However, these risks have been factored into this iteration of the HRA budget/Business Plan. The forecast revenue contribution to capital outlay (RCCO) is currently at £0.65m in 2026/27 and £3.8m over the proposed MTFS period (2026/27-2030/31).

6.56 There is an ongoing review and work to identify further efficient and savings proposals to ensure that the RCCO is increased and that all the first 5 years show a positive RCCO. It should be noted that the financial plan recognises the management of risks in these periods via the use of working balance which is currently projected at £20m by March 2026.

<u>Proposed HRA Business Plan (2026/27-2030/31)</u>

6.57 The proposed HRA 5 year Budget/Business Plan is set out in Table 6 below. It accommodates the scale of development currently assumed within the business and financial planning process in terms of its impact of future years' HRA revenue position.

6.58 It also takes into consideration the current inflation and interest rates and its impact in next year's rent charges. The draft HRA budget for 2026/27 to 2030/31 is as shown below in Table 6.

The subsequent 5 years depicts an improvement in the HRA financial position as shown in Table 6.1.

Table 6 – Proposed HRA 5-Year Revenue Budget (2026/27 – 2030/31)

Housing Revenue Account (HRA) Income & Expenditure	Year 1 2026-27 £'000	Year 2 2027-28 £'000	Year 3 2028-29 £'000	Year 4 2029-30 £'000	Year 5 2030-31 £'000	Total 5 Years £'000
Income						
Dwellings Rent Income	(129,624)	(139,672)	(149,699)	(162,034)	(172,671)	**(753,700)**
Void Loss	2,374	1,316	1,399	1,508	1,596	**8,193**
Hostel Rent Income	(2,001)	(2,058)	(2,116)	(2,176)	(2,237)	**(10,588)**
Service Charge Income	(18,942)	(19,289)	(20,119)	(21,199)	(22,053)	**(101,602)**
Leaseholder Income	(11,048)	(11,316)	(11,590)	(11,871)	(12,159)	**(57,984)**
Other Income (Garages /Aerials/Interest)	(2,599)	(2,661)	(2,699)	(2,746)	(2,815)	**(13,520)**
Total Income	**(161,840)**	**(173,680)**	**(184,824)**	**(198,518)**	**(210,339)**	**(929,201)**
Expenditure						
Repairs	39,565	34,936	34,123	33,408	34,263	**176,295**
Housing Management	35,020	35,663	36,515	37,461	38,346	**183,005**
Estates Costs (Managed)	16,048	16,839	17,619	18,648	19,451	**88,605**
Provision for Bad Debts (Tenants)	1,231	1,316	1,398	1,506	1,593	**7,044**
Provision for Bad Debts (Leaseholders)	275	288	300	314	328	**1,505**
Other Costs (GF Services)	3,810	3,886	3,964	4,043	4,124	**19,827**
Other Costs (Property/Insurance)	4,937	5,036	5,136	5,239	5,344	**25,692**
Capital Financing Costs	34,837	47,846	59,822	68,229	76,256	**286,990**
Contribution to Major Repairs (Depreciation)	24,958	25,949	27,248	28,636	29,521	**136,312**
Revenue Contributions to Capital	**1,159**	**1,921**	**(1,301)**	**1,034**	**1,113**	**3,926**
Total Expenditure	**161,840**	**173,680**	**184,824**	**198,518**	**210,339**	**929,201**
HRA (Surplus) / Deficit	0	0	0	0	0	0

Table 6.1: Proposed HRA Revenue budget (2031/32-2035/36)

Housing Revenue Account (HRA) Income & Expenditure	Year 6 2031-32 £'000	Year 7 2032-33 £'000	Year 8 2033-34 £'000	Year 9 2034-35 £'000	Year 10 2035-36 £'000	Total 5 Years £'000
Income						
Dwellings Rent Income	(181,080)	(188,224)	(194,921)	(200,423)	(206,080)	**(970,728)**
Void Loss	1,665	1,737	1,803	1,855	1,909	**8,969**
Hostel Rent Income	(2,300)	(2,365)	(2,432)	(2,501)	(2,572)	**(12,170)**
Service Charge Income	(22,769)	(23,530)	(24,206)	(24,690)	(25,184)	**(120,379)**
Leaseholder Income	(12,453)	(12,754)	(13,062)	(13,377)	(13,700)	**(65,346)**
Other Income (Garages /Aerials/Interest)	(2,866)	(2,903)	(2,947)	(2,999)	(3,046)	**(14,761)**
Total Income	**(219,803)**	**(228,039)**	**(235,765)**	**(242,135)**	**(248,673)**	**(1,174,415)**
Expenditure						
Repairs	35,139	35,995	36,883	37,741	38,459	**184,217**
Housing Management	39,182	40,027	40,857	41,636	42,432	**204,134**
Estates Costs (Managed)	20,114	20,821	21,443	21,872	22,309	**106,559**
Provision for Bad Debts (Tenants)	1,662	1,734	1,800	1,852	1,905	**8,953**
Provision for Bad Debts (Leaseholders)	343	358	373	390	408	**1,872**
Other Costs (GF Services)	4,207	4,291	4,377	4,464	4,553	**21,892**
Other Costs (Property/Insurance)	5,451	5,560	5,671	5,784	5,900	**28,366**
Capital Financing Costs	80,973	82,861	84,758	85,598	85,914	**420,104**
Contribution to Major Repairs (Depreciation)	30,347	26,556	27,087	27,629	28,182	**139,801**
Revenue Contributions to Capital	**2,385**	**9,836**	**12,516**	**15,169**	**18,611**	**58,517**
Total Expenditure	**219,803**	**228,039**	**235,765**	**242,135**	**248,673**	**1,174,415**
HRA (Surplus) / Deficit	0	0	0	0	0	0

<u>Proposed HRA 5 Years Capital Programme (2026/27 – 2030/31)</u>

6.59 The HRA has a significant capital investment programme. This programme can be divided into two main strands: investment in existing housing stock and investment in delivering and acquiring new housing into the HRA.

6.60 Both strands are essential to ensure that all residents are living in good quality, safe, secure housing. They are also essential to ensuring the long-term financial sustainability of the HRA. Investing in the Council's housing now means that in the longer term the cost of repairs and disrepair is minimised. Establishing a holistic programme of planned investment helps us to ensure that these works provide value for money and the programme ensures the long-term safety of our homes, and their sustainability.

6.61 Investing in new housing – whether that is through the direct delivery of newly built housing, the acquisition of newly built housing or the acquisition of existing homes, generally used to provide accommodation for homeless households, supports the long-term sustainability of the HRA by growing the revenue base through increased rental income.

6.62 The HRA Business Plan is geared towards maximising the use of other available resources and use of borrowing as last resort, while maintaining a working balance of £20m. The capital programme funding is through a mix of grant funding, S106 monies, revenue contributions and prudential borrowing. The total capital investment in 2026/27 is expected to be £364m, fully funded from grants, the Major Repairs Reserve, revenue contributions, RTB retained capital receipts, leaseholder contributions and borrowing. Details are set out in Table 7 for forecast capital spend between 2026/27 to 2030/31.

Table 7 – Proposed HRA 5 Year Capital Programme (2026/27 – 2030/31)

Housing Revenue Account (HRA)	Year 1	Year 2	Year 3	Year 4	Year 5	**Total**
Investment & Financing	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	**5 Years**
	£'000	£'000	£'000	£'000	£'000	**£'000**
Capital Investment						
Major Works (Haringey Standard)	78,829	78,915	80,198	68,844	74,664	**381,450**
Fire Safety Works	8,183	7,297	5,508	5,618	1,146	**27,752**
Broadwater Farm Works	5,283	25,553	28,465	24,223	19,559	**103,083**
Total Existing Stock Investment	**92,295**	**111,765**	**114,171**	**98,685**	**95,369**	**512,285**
New Homes Build Programme	134,946	171,243	95,948	88,203	65,201	**555,541**
New Homes Acquisitions	31,760	29,747	2,463	263	0	**64,233**
TA Acquisitions	104,820	107,965	111,204	114,540	117,976	**556,505**
Total Capital Investment	**363,820**	**420,719**	**323,787**	**301,690**	**278,546**	**1,688,562**
Capital Investment Financing						
Grants (GLA)	129,464	68,746	68,176	50,926	42,160	**359,472**
Major Repairs Reserve	24,958	25,949	27,248	28,636	29,521	**136,312**
Revenue Contributions	346	1,600	0	0	54	**2,000**
RTB Capital Receipts	10,000	7,500	7,500	5,000	5,000	**35,000**
Leaseholder Contributions to Major Works	7,197	7,386	7,462	7,587	7,388	**37,020**
Other Subsidy (Existing Homes Acquisition)	7,410	11,482	18,102	22,270	23,988	**83,252**
Market Sales Receipts	0	7,000	6,840	0	0	**13,840**
Borrowing	**184,445**	**291,056**	**188,459**	**187,271**	**170,435**	**1,021,666**
Total Capital Financing	**363,820**	**420,719**	**323,787**	**301,690**	**278,546**	**1,688,562**

6.63 The projected HRA capital programme budget over the subsequent 5 years is as shown in Table 7.1 below.

Table 7.1: Projected HRA Capital Programme (2031/32- 2035/36)

Housing Revenue Account (HRA)	Year 6	Year 7	Year 8	Year 9	Year 10	**Total**
Investment & Financing	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**5 Years**
	£'000	£'000	£'000	£'000	£'000	**£'000**
Capital Investment						
Major Works (Haringey Standard)	62,816	59,425	61,315	74,410	50,798	**308,764**
Fire Safety Works	1,169	1,192	1,216	1,216	1,241	**6,034**
Broadwater Farm Works	20,875	9,669	1,746	350	200	**32,840**
Total Existing Stock Investment	**84,860**	**70,286**	**64,277**	**75,976**	**52,239**	**347,638**
New Homes Build Programme	18,433	4,113	3,813	186	5	**26,550**
New Homes Acquisitions	0	0	0	0	0	**0**
TA Acquisitions	0	0	0	0	0	**0**
Total Capital Investment	**103,294**	**74,400**	**68,090**	**76,162**	**52,244**	**374,188**
Capital Investment Financing						
Grants (GLA)	0	1,225	1,225	0	0	**2,450**
Major Repairs Reserve	30,347	26,556	27,087	27,629	28,182	**139,801**
Revenue Contributions	2,813	10,049	12,406	14,807	18,967	**59,042**
RTB Capital Receipts	0	0	0	0	0	**0**
Leaseholder Contributions to Major Works	6,856	5,778	5,082	4,774	5,095	**27,585**
Other Subsidy (Existing Homes Acquisition)	0	0	0	0	0	**0**
Market Sales Receipts	0	0	0	0	0	**0**
Borrowing	**63,278**	**30,792**	**22,290**	**28,952**	**0**	**145,312**
Total Capital Financing	**103,294**	**74,400**	**68,090**	**76,162**	**52,244**	**374,188**

6.64 The Council continues to have an ambitious HRA capital programme both in terms of investing in its existing stock and new build. The financial sustainability of this is reflected in the forecast revenue position as set out in Tables 6 and 6.1.

6.65 This Business Plan presents reprofiled costs in major works, carbon reduction, fire safety budget – to meet current regulatory requirements (Building Safety & Fire Safety legislation) and reach 100% Decent Homes standard, following self-referral.

<u>Investment in our existing stock</u>

6.66 The existing stock investment programme has been prioritised to achieve the following targets:

- Ensuring that 100% of homes meet the Government's Decent Homes Standard by the end of 2028, as agreed with the regulator of social housing, and to ensure all homes continue to meet the decency standard thereafter.
- Ensuring the Council's housing stock meets all regulatory and statutory obligations including those of the Building Safety and Fire Safety acts.
- Improving the energy performance of homes to minimise the impact of rising energy costs for tenants and to reduce carbon emissions.

6.67 A full stock condition survey was completed in 2024 and information was collected for 74% of the Council's properties. This ensures that the Council has the information needed to effectively plan for the required investment across the medium term. A new rolling stock condition survey programme has been initiated in 2025 which will survey 100% of our housing stock every 5 years.

6.68 The council is procuring four geographically based, long-term partnering contracts which will provide the Council with the capacity and capability required to deliver around £570m of the overall planned investment in homes over the next 10 years. These contracts will be mobilised and will start on site in 2026/27.

Major Works & Decent Homes Works

6.69 The Council estimate that £110m will need to be invested by the end of 2028 in order to achieve the Council's target of ensuring all homes meet the decent homes standard by 2028. This will pay for new kitchens and bathrooms, improvements to heating and electrical systems and roof, window and door replacements.

6.70 Over the first 5 years of the programme, the Council will also be prioritising high-rise buildings to carry out building safety works and works to communal mechanical and electrical systems alongside decent homes improvements.

Carbon Reduction Works

6.71 The Council will be improving the energy performance of homes in order to reduce carbon emissions and minimise the effects of rising energy bills on tenants. The Council will be taking a fabric first approach by investing in improvements to windows, doors and wall and roof insulation. Where possible, works will be aligned with other major works programmes and comply with PAS2035/2030 standards.

6.72 Over the next 3 years, the Council will be delivering a retrofit programme to up to 154 properties, including on the Coldfall Estate in Muswell Hill. This will deliver up to £10m of investment which is being part funded by a Social Housing Decarbonisation Fund Grant of £1.7m. The measures being installed include energy efficient windows and doors; loft/roof insulation; external wall insulation and ventilation.

Fire Safety Works

6.73 The proposed budget/Business Plan is to ensure that all housing stock continues to meet changing statutory requirements. The budget was refreshed in last year and additional investment of £2m was added over the planning period to ensure that the requirement of the recent Fire Safety (England) Regulations 2022 are met. The programme includes front entrance door replacements, window infill panel replacements, Automatic Fire Detection (AFD) to street properties, automatic Fire detection and compartmentation works to timber clad buildings, Intrusive Fire Risk Assessments (FRA) and follow up works.

New Homes

6.74 Haringey has a significant housing delivery programme, with the ambition to deliver 3,000 Council homes by 2031. By the end of 2025, it is forecast that over 1,000 households will have moved into newly build council homes as part of the programme. These are the first new council homes in Haringey for forty years.

6.75 Haringey's programme is supplemented by significant grant subsidy from the Greater London Authority (GLA). The anticipated capital spend to 2031 allows the Council to deliver 3,000 Council homes at approximately £619m, of which around £343m is grant subsidy.

6.76 The programme is a mix of homes that are being directly delivered by Haringey, and homes that have been acquired by the Council.

6.77 This financial plan continues to provide for financial resources to meet the Council's commitment to the delivery of high-quality Council homes. This is an integral part of the Council's core HRA business, with a delivery programme that is viable in the long term.

6.78 The new homes are designed through an iterative process of consultation and engagement with Members, planners, and the community.

6.79 Clear, explicit design principles mean that these homes will have the highest standards of design quality – so that homes are beautiful, but also safe, comfortable, and accessible. They will also be easy and affordable to look after for the Council and for the tenant.

6.80 Climate change, carbon management, and sustainability is integral to the design of the Council's new generation of Council homes with the Council targeting zero-carbon and Passivhaus on every development.

6.81 More than 10% of current new homes are fully wheelchair accessible, with a target of 20%. Through the Bespoke Homes programme, the Council are actively identifying households on the housing register with specific accessibility needs in order to ensure that new homes are designed for them. Additionally, 10% of the programme will be delivered as supported housing for people who need additional support to live independently. It is expected that these supported housing units will also lead to reduced costs on the General Fund of supporting these individuals in temporary accommodation in the future.

6.82 Some of the housing delivery schemes are providing a significant number of new council homes for the borough, or are providing much needed supported housing are listed below:

- Wingspan Walk - 272 new council homes including homes for people over 55
- 14 new council homes in partnership with a supported housing provider to provide support for survivors of domestic abuse under the GLA DASHA Programme
- Mallard Place - 150 new council homes
- Sir Frederick Messer Estate - 66 new council homes
- St. Ann's Hospital - 144 new council homes including a specialist supported housing building
- Mecca Bingo - 78 new council homes as part of a larger multi-tenure scheme including student housing, commercial space and a pocket park
- High Road West – 546 new council homes as part of a significant new scheme
- Selby Urban Village – 202 new council homes as part of a significant new scheme
- Alexandra Gate – 46 new council homes

<u>Broadwater Farm Improvement Works and New Build Programme</u>

6.83 The Broadwater Farm (BWF) improvement programme aims to regenerate the whole estate with £250m of planned investment which will deliver over 300 new homes, will retrofit more than 800 existing homes and will make improvements to the public realm and facilities. This is part of the Council's broader Housing Delivery Programme and will make a significant contribution to the Council's overall new council housing target.

6.84 The programme will support social value and placemaking. The Social Value commitments made by contractors will deliver measurable and impactful training, employment and social opportunities.

6.85 New housing, retail units, a health centre and enterprise units will be delivered, alongside major public realm improvements. And in terms of improvements to existing homes and blocks, this will include new flooring, structural water-proofing, improved energy performance and accessibility works.

<u>Existing Homes Acquisitions – homeless households</u>

6.86 The Council's acquisition programme for homeless households is based on the purchase of homes and subsequent leasing to the Haringey Community Benefit Society (HCBS) to provide housing to households in housing need nominated to it by Haringey Council. This scheme will generate adequate rental income to cover the cost of capital and associated cost. There is also a General Fund (GF) saving generated by the provision of homes to homeless households in the HRA via a reduction in the use of privately-owned temporary accommodation in GF. This plan recognises the proposal for an additional 250 homes as part of the temporary accommodation reduction plan. These will be funded by government grant, General fund capital contribution and borrowing in the HRA.

7 Contribution to the Corporate Delivery Plan 2024-2026 High level Strategic outcomes

7.1 This report sets out the Council's commitment to 'creating homes for the future'.

8 **Carbon and Climate Change**

8.1 This report contributes to the Council's commitment of 'responding to the climate emergency' and details are contained throughout the report.

9. Statutory Officers comments (Director of Finance, Procurement, Head of Legal and Governance, Equalities

Finance

9.1 As the Budget/MTFS report is primarily financial in its nature, comments of the Chief Financial Officer are contained throughout the report.

9.2 The formal Section 151 Officer assessment of the robustness of the HRA's budget, including adequacy of reserves to mitigate against future risks will be made as part of the final budget report to Council in March 2026.

Procurement

9.2 Procurement notes the contents of the report.

Assistant Director of Legal & Governance

9.3 The Assistant Director of Legal & Governance has been consulted in the content of this report. The Council has a duty to keep a HRA under section 74 of the Local Government and Housing Act 1989, the keeping of which must be in accordance with Schedule 4 of that Act. Under Schedule 15 of the Localism Act 2011, local authorities were required to be self-financing in relation to their housing stock, financing their housing stock from their own rents. This report is for noting pending a further report in February 2026 and does not at this stage raise any legal issues.

Equality

9.4 The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between people who share those protected characteristics and people who do not;
- Foster good relations between people who share those characteristics and people who do not.

9.5 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the first part of the duty.

9.6 Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

9.7 This report details the draft medium term financial strategy for the HRA. Cabinet is asked to approve the business plan. This decision is needed to ensure that the Council has a sustainable HRA. A sustainable HRA means that the council as a landlord can provide services to council tenants and leaseholders, and can invest in their homes, and in new homes for future tenants and leaseholders.

9.8 Ensuring a sustainable HRA benefits two groups in particular. The first group is our existing council tenants and leaseholders, since they live in homes owned and managed by the council. The second group is households on the council's housing register, in particular those in bands A and B, since they stand to benefit from new council homes brought forward in the borough.

9.9 Haringey Council's tenant population shows the following characteristics compared to the wider borough population:

- a significantly higher proportion of young people (under 24) and older people (over 50).
- a significantly higher proportion of individuals who have a disability under the Equalities Act.
- a slightly higher proportion of individuals who report their gender identity as different from sex registered at birth.
- a significantly lower proportion of individuals who are married or in a registered civil partnership.
- a significantly higher proportion of individuals who identify as Muslim, and slightly higher proportion of individual who identify as Christian, Buddhist or another religion. This is countered by a significantly lower proportion of tenants who don't associate with any religion or identify as Jewish, Hindu or Sikh.
- a significantly higher proportion of female individuals.
- a significantly lower proportion of individuals who report their sexual identity as something other than Straight or Heterosexual

9.10 Building new council homes benefits existing council tenants in housing need, and households currently living in temporary accommodation. Data held by the council suggests that women, young people, and people who are BAME are over-represented among those living in temporary accommodation. Furthermore, individuals with these protected characteristics, as well as those who identify as LGBTQ+ and disabled people are known to be vulnerable to homelessness.

9.11 As such, it is reasonable to anticipate a positive impact on residents with these protected characteristics.

10 Use of Appendices

10.1 None

11 Background papers

11.1 None

Housing, Planning & Development Scrutiny Panel

Work Plan 2024 – 2026

1. **Scrutiny review projects;** These are dealt with through a combination of specific evidence gathering meetings that will be arranged as and when required and other activities, such as visits. Should there not be sufficient capacity to cover all these issues through in-depth pieces of work, they could instead be addressed through a "one-off" item at a scheduled meeting of the Panel. These issues will be subject to further development and scoping. It is proposed that the Committee consider issues that are "cross cutting" in nature for review by itself i.e., ones that cover the terms of reference of more than one of the panels.

Project	**Comments**	**Priority**
TA Placements Policy & TA Discharge of Duty Policy	The Panel would like to do a short review to align with the development of these two strategies. The Panel would like to look at Temporary Accommodation and how the organisation decides who is placed in what type of property. The Panel is concerned about the use of expensive nightly paid accommodation and the use of Travelodges. The Panel would also like to look at the types of accommodation that we place people in to discharge out housing duty, particularly use of the private rented sector.	

2. **"One-off" Items;** These will be dealt with at scheduled meetings of the Panel. The following are suggestions for when particular items may be scheduled.

Date	**Potential Items**
2024/25	

30 July 24	• Terms of Reference • Housing Asset Management Plan • Leaseholders • Fire Safety Action Plan
26 September 2024	• Housing Strategy & Policies Programme • HRA Capital Governance • Placemaking Programmes and Funding • Response to Ombudsman Complaint in relation to Planning Application HGY/2022/4537
05 November 2024	• Housing Associations • Work Programme
21 November 2024 (Budget Meeting)	• Budget scrutiny
16th December	• Budget Scrutiny (HRA)
06 March 2025	• Verbal Update on the Local Plan consultation timetable and process • Allocations Policy • Housing Mock Inspection
2025/26	
23 June 2025	• Terms of Reference • Housing Resident Engagement Impact Assessment April 2023 to December 2024 • Housing Adaptations • Housing Service Performance Scrutiny 2024/25 Outturn • Cabinet Member questions (Cllr Williams)

23 September 2025	• *Standing Report – KPI Update*
	• *Q1 Budget & Performance Monitoring report (Finance)*
	
	• Housing Improvement Programme
	  ○ Damp & Mould (including preparedness for Awaab's Law)
	  ○ Progress Against Decent Homes Standard
	  ○ Update on Fire Safety Actions
	  ○ Outstanding Actions from Social Housing Regulator Referral

17 November 2025 (Budget)	• *Standing Report – KPI Update* • Budget Scrutiny (General Fund) • 12 month update on the actions from the Review into PRS • Local Plan Update
15th December 2025	• *Standing Report – KPI Update* • *Q2 Budget & Performance Monitoring report (Finance)* • *Housing Revenue Account Business Plan and Budget 2026/27 Proposals* ○ Including Figures on the Financial Impact of Legal Disrepair Claims • Cabinet Member questions (Cllr Gordon)
9th March 2026	• *Standing Report – KPI Update* • Update on the Council's Housebuilding Programme • Voids • Neighbourhood Moves Scheme (Update on its implementation, proposed changes & progress to date) • Tenant Satisfaction Measures (Survey Results)

Indicative future agenda items:

- Older People's Housing Strategy & Rightsizing Strategy
- Housing Officers: Caseload, expectation, performance management, KPIs etc, relationships with residents.