

Report for: **Housing, Planning and Development Scrutiny Panel 16th December 2024**

Title: **Housing Revenue Account Business Plan and Budget 2025/26 Proposals**

Report authorised by: **Taryn Eves, Director of Finance**

Lead Officer: **Kaycee Ikegwu – Head of Finance**

Ward(s) affected: **All**

**Report for Key/
Non-Key Decision:** **Non-Key**

1. Describe the issue under consideration.

- 1.1 The Housing Revenue Account Business Plan and Budget 2025/26 proposals are contained in the Cabinet report 10th December 2024. The report is appended for consideration by the Housing, Planning and Development Scrutiny Panel.
- 1.2 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.
- 1.3 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.
- 1.4 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.
- 1.5 The report provides an update on the aims and ambitions across the medium and long term and proposals for the 2025/26 budget which will be presented to Council in March 2025 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.
- 1.6 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.

- 1.7 As the report is primarily financial in its nature, comments of the Chief Financial Officer are contained throughout the report. 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 2025.

2. Recommendations

- 2.1 The Housing, Planning and Development Scrutiny Panel are recommended to:
 - 2.1.1 Note the HRA's current financial position as set out in this report which sets the foundations for the full draft budget for 2025/26 and 2025/26-29/30 Business Plan.
 - 2.1.2 Note that the final HRA 2025/26 Budget and 2025/26-29/30 Business Plan will be presented to Cabinet on 11 February 2025 to be recommended for approval to the Full Council meeting taking place on 3 March 2025.
 - 2.1.3 Make recommendations to the Overview and Scrutiny Panel on 20th January 2025.

3 Use of Appendices

- 3.1 Appendix A : Housing Revenue Account Business Plan and Budget 2025/26
Proposals Cabinet Report 10th December 2024