

**Report for:** Overview and Scrutiny Committee

**Title:** **Housing Revenue Account – Draft 2025/26 Budget & MTFS 2025/26-29/30**

**Report authorised by:** Taryn Eves – Director of Finance and Jonathan Kirby – Director of Placemaking and Housing

**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 The report included in the Appendix provides an update on the aims and ambitions across the medium and long term and proposals for the 2025/26 budget since the last update to Housing, Planning and Development Scrutiny Panel and which will be presented to Council for approval in March 2025. 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.

**Recommendations**

- 2.1 It is recommended that Overview and Scrutiny Committee:
  - a) Note the report that will be presented to Cabinet on 11 February 2025 setting out the proposed 2025/26 budget and 2025/26 to 2029/30 and which includes approval of proposed increases to rents and service charges.

- b) Note the updated revenue financial position since the last update to Cabinet on 10 December and which was considered by Housing, Planning and Development Scrutiny Committee on 16 December 2024. This is set out in Table 6 and 6.1 of the report in Appendix 1
- c) Note the updated capital programme for the period 2025 to 2035 since the last update to Cabinet on 10 December and which was considered by the Housing, Planning and Development Scrutiny Committee on 16 December 2024. This is set out in Tables 7 and 7.1 of the report in Appendix 1.
- d) Note that Cabinet on 11 February will be asked to recommend the proposed HRA 2025/26 Budget and 2025/26-29/30 MTFS, for approval to the Full Council taking place on 3 March 2025.

### **3 Appendices**

- 3.1 Appendix 1 - Housing Revenue Account – Draft 2025/26 Budget & MTFS 2025/26-29/30 report to Cabinet