

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)

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	£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
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- 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 brought 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.

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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)	