

Appendix 7 – HOUSING REVENUE ACCOUNT (HRA)

1.1 HRA Overall – Q3 £1.791m underspend, a favourable movement of £1.277m since Quarter 2.

| HRA BUDGET 2025/26 - Q3 | 2025/26 Revised Budget | Q3 2025/26 YTD Budget | Q3 2025/26 YTD Actual | Q3 2025/26 YTD Var. | Q3 2025/26 Full Year Forecast | Q3 2025/26 Full Year Forecast Variance | Q2 2025/26 Full Year Forecast Variance | Movement Q3 v Q2 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) | (103,313) | (97,760) | 5,553 | (139,486) | 6,346 | 5,859 | 487 |
| Housing Revenue Account (HRA) - Expenditure | 145,562 | 66,667 | 62,779 | (3,888) | 137,425 | (8,137) | (6,373) | (1,764) |
| HRA - (Budgeted Surplus) | (270) | (36,646) | (34,981) | 1,665 | (2,061) | (1,791) | (514) | (1,277) |

HRA Revenue Account - Budgeted Surplus (RCCO) of £270k - Forecasting eoy surplus of £2.061m, therefore underspend of £1.791m, this a £1.277m favourable movement from Q2.

- 1.2 The movement from Quarter 2 to Quarter 3 reflects the reduced overall expenditure in revenue budgets – though capital finance costs are also lower than anticipated. This reflects the acquisitions programme which provides increased accommodation; however, the stock investment programme has been delayed due to procurement and recent building safety regulatory requirements.
- 1.3 The Housing Repairs and Compliance service are forecasting an overall spend of £36,780,970, which is an underspend of £1,613,450 against a budget of £38,394,420. This is a favourable variance of £1,094,000 on their Quarter 2 forecast. Although there is still a forecast overspend in repairs of £637,700, this is an adverse movement of £405,850 due to increased pressure from electrical safety testing costs on Housing Related Support budgets. The main reasons for the favourable reduction in spend overall are due to Mechanical and Electrical Services, where improved focus on ensuring essential spend in line with corporate objectives, as well as improved and tighter contractor management and additional

work-order scrutiny and approvals. There is also improved value for money through adopting a more strategic and planned approach and being more active in enforcing contract terms and conditions including re-charging of gas contractors for compensation where their failure has led to tenant payments.

- 1.4 The Housing Management service areas is forecasting a £716,000 underspend – which is predicted at year end to be £17,989,389 against a budget of £18,705,340. This is a favourable increase of £70,000 since the quarter 2 forecast. This is largely due to salaries underspends pending two restructures and better controlled emergency decant costs being contained successfully. Both these reorganisation proposals increase resources at the front line and due for implementation in March/April.

Tenancy services have significantly reduced demand for expensive hotel, and emergency accommodation which is being monitored on a fortnightly basis. Demand on damp and mould casework following enactment of Awaab's law from October 2025 is actively being considered over coming months.

Estates and Neighbourhoods services are likely to spend circa 4% less than budgeted as additional cleaning, caretaking services are being onboarded during Quarter 4 and recruitment delays into the service.

Homeownership Services are forecast to spend marginally above budget, where the focus is on leasehold income collection and billing and the timely issue of actual charges for 2024/25, largely due to high insurance premiums.

Income Management services have performed well and for general needs tenancies are on collection target. Added resources for Temporary Accommodation income collection are in place with all tenancies for temporary accommodation renewed rent levels, resulting in large volumes of HB/UC verification and support.

Community and Resident Engagement services will spend close to budget with training and more support for residents' associations and groups as required.

- 1.5 The Asset Management team is forecasting at Quarter 3 a £72,000 underspend which is a favourable movement of £16,000 from Quarter 2. This reduction is based on a review of current spend across budgets, including training, room hire, computer hardware and printing. In addition, a further release has been made from the contingency provision that was previously held for unbudgeted expenditure. Recruitment to vacant posts is expected to fall into the next financial year, making it unlikely that these budgets will be fully utilised within the current year.

1.6 Other HRA areas are forecasting a £610,000 overspend. There is currently an end of year forecast under recovery of rental income of £6.346m across general needs and hostel properties, this is being partially mitigated by a forecast underspend for capital financing costs £4.830m, due to forecasting not to achieve a full spend of the HRA capital programme at Quarter 3. This results in lower than anticipated revenue borrowing costs and there is an underspend for the annual leasehold insurance premium of £870,000.

1.7 The table below provides the full year forecast across the Housing Revenue Account (HRA)

| HRA BUDGET 2025/26 - Q3 | 2025/26 Revised Budget | Q3 2025/26 YTD Budget | Q3 2025/26 YTD Actual | Q3 2025/26 YTD Var. | Q3 2025/26 Full Year Forecast | Q3 2025/26 Full Year Forecast Variance | Q2 2025/26 Full Year Forecast Variance | Movement Q3 v Q2 2025/26 |
|--|-------------------------------|------------------------------|------------------------------|----------------------------|--------------------------------------|---|---|---------------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Service Charge Income - Hostels | (490) | (348) | (249) | 99 | (362) | 128 | 144 | (16) |
| Rent - Hostels | (1,853) | (1,315) | (1,044) | 270 | (1,484) | 369 | 286 | 83 |
| Rent - Dwellings | (109,275) | (77,241) | (73,214) | 4,026 | (103,905) | 5,370 | 4,833 | 537 |
| Rent - Garages | (697) | (493) | (473) | 20 | (673) | 24 | 26 | (2) |
| Rent - Commercial | (913) | (913) | (741) | 172 | (790) | 123 | 123 | - |
| CBS - Lease Rental Income | (4,693) | - | - | - | (5,209) | (516) | - | (516) |
| Income - Heating | (1,294) | (915) | (703) | 212 | (1,105) | 189 | 146 | 42 |
| Income - Light and Power | (1,523) | (1,077) | (1,100) | (23) | (1,559) | (35) | (30) | (5) |

| HRA BUDGET 2025/26 - Q3 | 2025/26 Revised Budget | Q3 2025/26 YTD Budget | Q3 2025/26 YTD Actual | Q3 2025/26 YTD Var. | Q3 2025/26 Full Year Forecast | Q3 2025/26 Full Year Forecast Variance | Q2 2025/26 Full Year Forecast Variance | Movement Q3 v Q2 2025/26 |
|--|-------------------------------|------------------------------|------------------------------|----------------------------|--------------------------------------|---|---|---------------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Rent Accounts | 0 | 0 | 17 | 17 | 0 | 0 | 0 | - |
| Under Occupation | 184 | 138 | 39 | -99 | 184 | 0 | 0 | - |
| Repairs Cent Rechrge | 2 | 2 | -1 | -3 | 2 | 0 | 0 | - |
| Respon Repair - Hos | 718 | 539 | 101 | -437 | 771 | 52 | 40 | 12 |
| Water Rates Payable | 33 | 25 | -87 | -112 | 33 | 0 | 0 | - |
| Housing Mngt Recharg | 3,869 | 116 | 138 | 22 | 3,869 | 0 | 0 | - |
| Other RentCollection | 149 | 112 | 148 | 36 | 149 | 0 | 0 | - |
| Energy Billing & Collection | 161 | 121 | 32 | -89 | 73 | -88 | 87 | (175) |
| HousMgmntRechg Energ | 3,067 | 2,300 | 1,248 | -1,052 | 2,461 | -606 | 0 | (606) |
| Special Services Cleaning | 4,311 | 3,233 | 2,889 | -344 | 4,311 | 0 | 0 | - |
| Special Serv GrndMnt | 2,055 | 1,541 | 948 | -593 | 1,805 | -250 | -250 | - |
| HRA Pest Control | 332 | 249 | 219 | -30 | 352 | 20 | 20 | - |
| Estate Controlled Parking | 157 | 118 | -1 | -118 | 157 | 0 | 0 | - |

| HRA BUDGET 2025/26 - Q3 | 2025/26 Revised Budget | Q3 2025/26 YTD Budget | Q3 2025/26 YTD Actual | Q3 2025/26 YTD Var. | Q3 2025/26 Full Year Forecast | Q3 2025/26 Full Year Forecast Variance | Q2 2025/26 Full Year Forecast Variance | Movement Q3 v Q2 2025/26 |
|----------------------------------|-------------------------------|------------------------------|------------------------------|----------------------------|--------------------------------------|---|---|---------------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Managed Services | 160 | 120 | 0 | -120 | 160 | 0 | 0 | - |
| Support People Paymt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Bad Debt Dwellings | 2,135 | 0 | 0 | 0 | 2,135 | 0 | 0 | - |
| Bad Debt Prov - Leas | 260 | 0 | 0 | 0 | 260 | 0 | 0 | - |
| Bad Debt Prov - Host | 70 | 0 | 0 | 0 | 70 | 0 | 0 | - |
| HRA- Council Tax | 1,156 | 867 | 472 | -395 | 1,900 | 744 | 744 | - |
| Supported Housing Central | 677 | 508 | 164 | -344 | 577 | -100 | 0 | (100) |
| Housing Management team | 2 | 2 | 0 | -2 | 0 | -2 | 0 | (2) |
| Housing Delivery Team | 385 | 288 | 275 | -14 | 461 | 76 | 0 | 76 |
| Anti Social Behav Sv | 714 | 0 | 0 | 0 | 544 | -170 | -170 | - |
| Interest Receivable | -232 | 0 | 0 | 0 | -232 | 0 | 0 | - |
| Corporate democratic Core | 703 | 703 | 744 | 42 | 744 | 42 | 42 | - |
| Leasehold Payments | 108 | 81 | 220 | 139 | 220 | 112 | 0 | 112 |

| HRA BUDGET 2025/26 - Q3 | 2025/26 Revised Budget | Q3 2025/26 YTD Budget | Q3 2025/26 YTD Actual | Q3 2025/26 YTD Var. | Q3 2025/26 Full Year Forecast | Q3 2025/26 Full Year Forecast Variance | Q2 2025/26 Full Year Forecast Variance | Movement Q3 v Q2 2025/26 |
|-------------------------------------|-------------------------------|------------------------------|------------------------------|----------------------------|--------------------------------------|---|---|---------------------------------|
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| Landlords Ins - TEN | 393 | 393 | 495 | 102 | 495 | 102 | 0 | 102 |
| Landlords - NNDR | 125 | 125 | 153 | 28 | 153 | 28 | 28 | - |
| Landlords Ins - LSHD | 4,030 | 4,030 | 3,168 | -863 | 3,160 | -870 | -870 | - |
| Capital Financing Costs | 25,462 | 0 | 2 | 2 | 20,632 | -4,830 | -4,917 | 87 |
| Depreciation - Dwellings | 22,754 | 0 | 0 | 0 | 22,754 | 0 | 0 | - |
| Community Benefit So | 0 | 0 | 21 | 21 | 0 | 0 | 0 | - |
| GF to HRA Recharges | 2,819 | 0 | 0 | 0 | 2,819 | 0 | 0 | - |
| Estate Renewal | 1,126 | 0 | 15 | 15 | 1,126 | 0 | 0 | - |
| Operational Dir Housing Serv & Buil | 8,009 | 6,485 | 6,838 | 352 | 8,136 | 127 | 100 | 27 |
| Housing Management Services | 18,705 | 14,242 | 13,507 | -735 | 17,989 | -716 | -646 | (70) |
| Housing Repairs & Compliance | 38,394 | 28,796 | 30,157 | 1,361 | 36,781 | -1,613 | -519 | (1,094) |
| Housing Asset Management | 122 | 92 | 21 | -71 | 50 | -72 | -40 | (32) |
| Housing Improvement Plan (HIP) | 1,278 | 916 | 569 | -347 | 1,067 | -211 | -33 | (177) |

| HRA BUDGET 2025/26 - Q3 | 2025/26 Revised Budget | Q3 2025/26 YTD Budget | Q3 2025/26 YTD Actual | Q3 2025/26 YTD Var. | Q3 2025/26 Full Year Forecast | Q3 2025/26 Full Year Forecast Variance | Q2 2025/26 Full Year Forecast Variance | Movement Q3 v Q2 2025/26 |
|---------------------------------|---------------------------------------|----------------------------------|----------------------------------|--------------------------------|--|---|---|---|
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's |
| HRA budget release from Reserve | 469 | 0 | 0 | 0 | 469 | 0 | 0 | - |
| HRA Expenditure | 145,562 | 66,667 | 62,779 | (3,888) | 137,425 | (8,137) | (6,373) | (1,764) |
| | | | | | | | | |
| HRA - (Budgeted Surplus) | (270) | (36,646) | (34,981) | 1,665 | (2,061) | (1,791) | (514) | (1,277) |

Capital Forecasts

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------|------------------------|---|--|---|---|--|-----------------------|---------------------|----------------------|--|---|
| 202 | Aids & Adaptations HRA | 1,150 | 0 | 1,150 | 1,150 | (0) | Amber | Green | 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 and working closely with Strategic Procurement. |
| 550 | New Homes Acquisitions | 42,007 | 0 | 42,007 | 54,220 | 12,213 | Green | Amber | Amber | 12,234 | |

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------|--|---|--|---|---|--|-----------------------|---------------------|----------------------|--|--|
| 551 | TA Acquisitions | 101,767 | 0 | 101,767 | 70,955 | (30,812) | Green | Amber | Green | (30,812) | Project reallocation to New Homes Acq £32m of budget. Reallocation into TA Acq budget of Caxton Road £8m. Slippage on void works to circa 70 properties will slip spend into 26/7. |
| 552 | Carbon Reduction Works (Affordable Energy) | 7,000 | 0 | 7,000 | 3,019 | (3,981) | Green | Amber | Amber | (1,299) | Reduction of forecast in Q3 is due to delays in the delivery of the Wave 2.2 scheme. This is due to necessary design amendments and specification changes. |

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------|-------------------|---|--|---|---|--|-----------------------|---------------------|----------------------|--|--|
| 553 | Fire Safety Works | 10,891 | 0 | 10,891 | 8,175 | (2,716) | Green | Amber | Amber | (2,078) | Q3 is reporting an underspend of £2.7m, with a variance of -£2.08m. The movement is primarily driven by revised delivery of 2 programmes for fire detection system upgrades which have been reliant on surveys to external walls and within properties. Both have been delayed due to longer than anticipated procurement and access to properties. These programmes will commence and therefore |

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------|-----------------------|---|--|---|---|--|-----------------------|---------------------|----------------------|--|--|
| | | | | | | | | | | | the associated expenditure of around £2m will occur in 2026/27. |
| 554 | Broadwater Farm Works | 19,713 | 0 | 19,713 | 4,674 | (15,039) | Green | Amber | Amber | (1,174) | Movement in Q3 is within the demolition programme, mainly due to Northolt strip-out Phase 3 - expected to start April following delays to Ph 2. Refurbishment. Strengthening works reporting a movement due to delays in external major works contract, driven by issues in the concrete repair system / flooring. |

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------|---------------------------|---|--|---|---|--|-----------------------|---------------------|----------------------|--|--|
| 555 | High Road West HRA | 1,536 | 0 | 1,536 | 569 | (967) | Green | Amber | Amber | (31) | Acquisition of council homes as part of High Road West has been delayed due to the wider scheme delays. Work ongoing to review options to unlock council home delivery as early as possible. Projected spend for 25/26 is project on-costs including staff salaries. |
| 557 | Broadwater Farm New Build | 17,096 | 0 | 17,096 | 16,604 | (492) | Green | Green | Green | (25) | Minor movement in Q3. Projects remain on programme – movement linked to retention costs being moved into 2026/27 |

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------|---------------------------------|---|--|---|---|--|-----------------------|---------------------|----------------------|--|--|
| 590 | Major Works (Haringey Standard) | 54,400 | 0 | 54,400 | 22,055 | (32,345) | Green | Amber | Amber | (6,516) | There has been a reduction of £6.5m in forecast since Q2. This is largely due to delays in remobilising the Noel Park Pods programme and delays on external works to High Rise Blocks due to the new Building Safety Gateway Process timescales. Forecasts for capitalised disrepair, voids and repairs increased. |

| SCHEME REF | SCHEME NAME | 2025/26 Full year Revised Budget @ Qtr. 2 (£'000) | 2025/26 QTR. 3 Budget Adjustment (£'000) | 2025/26 Full year Revised Budget @ Qtr. 3 (£'000) | 2025/26 Qtr. 3 Forecast Outturn (£'000) | Budget Variance (Underspend) / Overspend (£'000) | RAG Status on: Budget | RAG Status on: Time | RAG Status on: Scope | Variance Btw. Qtr. 3 & Qtr. 2 Forecast (£'000) | Scheme Progress Comments |
|------------------------------------|---------------------------|---|--|---|---|--|-----------------------|---------------------|----------------------|--|---|
| 599 | New Homes Build Programme | 86,093 | 0 | 86,093 | 59,460 | (26,633) | Green | Amber | Amber | (11,363) | The variation is a consequence of some Schemes taking longer to get on Site because of procurement delays, and delays to Government High Risk Buildings Gateway 2 approvals. Acquisitions have increased as the general sales market is soft and developers are selling more for social housing to mitigate their financial losses. |
| TOTAL HRA CAPITAL PROGRAMME | | 341,653 | 0 | 341,653 | 240,880 | (100,773) | | | | (41,065) | |

