

Slough Borough Council

Report To: Council

Date: 26th February 2026

Subject: Housing Revenue Account (HRA) 30yr Business Plan and Medium-Term Budgets and setting of housing rents 2026/27

Chief Officer: Pat Hayes - Executive Director, Regeneration, Housing & Environment, and
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Ward(s): All

Exempt: NO

Appendices: A – HRA 30-year revenue budget
B – HRA 30-year capital programme
C – HRA 5-year revenue budget
D – HRA 5-year capital programme
E – HRA draft reserves & balances
F – EQIA

1. Summary and Recommendations

- 1.1 This report sets out the proposed 30-year Business Plan for the Housing Revenue Account (HRA) and considers both the Revenue and Capital position. The report was considered by Cabinet at its meeting held on 16th February 2026 and it was agreed that it be recommended to Council for approval.
- 1.2 The Revenue Business plan over a 5-year period projects total income of £253m and expenditure of £240m. The HRA Capital Programme provides for a total capital investment of £119m over the next 5 years and a total of £776m over the 30-year period.
- 1.3 The report also informs Council that at the meeting on 16th February the Cabinet approved increases to both Housing Revenue Account (HRA) dwelling rents, affordable housing rents, garage rents, and tenant service charges from 6th April 2026. For 2026/27 dwelling and non-dwelling rents are to increase by 4.8% based on the September CPI of 3.8% plus 1%, government rent formula direction and service charges increase of 4.8% based on phased full-cost recovery.
- 1.4 The Business Plan demonstrates that Slough Borough Council is able to fund the revenue and capital proposals subject to the assumptions within the plan, and that the HRA remains sustainable and viable over the 30-year period.

Recommendations:

1.5 Council is recommended to:

- (a) Approve the HRA 30 year business plan as set out in Appendices A and B.
- (b) Approve the HRA revenue budget for 2026/27 as set out in Appendix C which reflects the annual rents & service charges increases as proposed in this report.
- (c) Approve the HRA 5-year Capital Programme as set out in Appendix D
- (d) Note the draft 5-year HRA reserves and balances as set out in Appendix E

1.6 Council is recommended to note that Cabinet approved the following at its meeting held on 16th February 2026:

- Social & affordable housing dwelling rent increase of 4.8% (CPI plus 1%) from 6th April 2025 in line with current national rent setting formula.
- Tenant service charges increase of 4.8% from 6th April 2026 in line with the agreed phased recovery of additional service costs provided to and recoverable from relevant tenants.
- Garage rents for council & private tenants and leaseholders increase of 4.8% from 6th April 2026 in line with the rent increase.

Reason

- 1.7 The HRA is a ringfenced account for local authorities under Section 74 of the Local Government and Housing Act 1989. The local authority as a social housing landlord is required to set HRA rents and budgets for each financial year.
- 1.8 The report informs Council that Cabinet has approved HRA tenant rents and service charges for the financial year 2026/27 and thereby facilitate the issuing of the necessary statutory notices. The dwelling rent increase reflects current rent regulation which allows actual rents to increase by a maximum of CPI+1%. The other rents, service & charges increases do not fall within the scope of the rent regulation and as such the proposals are to enable the Council to move towards full recovery of the cost of providing these additional services to tenants & leaseholders. S.103 of the Housing Act 1985 permits the Council to vary rent annually by giving tenants at least 28 days' notice in writing. Annual charges take effect from the first Monday in April.
- 1.9 Section 76 of the Local Government and Housing Act 1989 requires Local Authorities with a Housing Revenue Account (HRA) to set a budget for the account, which is based on best assumptions, that avoids a deficit and keeps the HRA under review. The budgets have been developed from a review of the baseline budget, current expenditure on housing services and capital investment required to maintain and improve the housing stock to a decent standard and increase the supply of new affordable housing.

Commissioner Review

The Council has a legal duty to set a balanced budget for the Housing Revenue Account prior to the start of the financial year to which the budget relates. This report fulfils this legal duty by presenting a balanced budget for 2026/27 including rent setting and service fees and charges.

The 30-year Business plan is required to set out the Councils' overall aims and objectives for the Housing Service, options to safeguard the long-term financial sustainability of the plan, provide financial capacity for capital investment as well as laying out plans to manage risks and opportunities.

The HRA position on the face is healthy. The assumptions within the updated Business Plan presents a baseline position that includes a 5-year programme of works for incorporation into the capital programme. However, it should be considered provisional. There are new and emerging legislative requirements and in line with the developing Housing Strategy, the Council, following consultation with stakeholders, tenants and leaseholders, targeted work to identify impacts and to seek the views of under-represented groups, will need to produce a refreshed 30-year HRA business plan. The plan should include clear corporate priorities, demonstrable sufficiency of investment to meet the needs of tenants and achieve the consumer standards. The overarching plan, underpinning operational programmes and funding streams, will need to be subject to scenario and sensitivity analysis and stress tested to ensure long term viability.

Commissioners are content with the recommendations in this report.

2. Introduction

- 2.1 The HRA business plan reflects the Council's spending and borrowing to maintain its stock, operate services for its tenants and leaseholders, and if appropriate acquire, design, and build new council homes. As with any other business plan, it must show that the Council has clear proposals for achieving its objectives and that these are financially viable in the short, medium, and long term. Having a HRA Business Plan that is approved by full Council, based on reasoned assumptions and an underlying stressed test financial model, forms the basis of good governance and sound financial management. It demonstrates that we are spending tenant's rent and service charges effectively and achieving value for money and managing debt and reserves to maintain a viable HRA overall.
- 2.2 The HRA derives its income from dwelling rents, service charges and income from garages, shops, and land held and accounted for in the HRA. These incomes are ring fenced and used to pay for all landlord services to council tenants and leaseholders. Service charges and heating costs are set at levels that phase in reaching full cost recovery by 2027/28 for the cost of providing communal services to tenants in the blocks and estates where they live. The HRA is not permitted to subsidise tenants & leaseholders or otherwise derive a profit from these services. Charges are reviewed periodically to reflect the actual cost of providing them.
- 2.3 The provision of high-quality affordable homes and housing management services to tenants will improve the strength and sustainability of communities. Through an annual 30-year HRA Business Plan the council is committed to ensuring the HRA is managed judiciously and sensibly to allow the council to manage, maintain and invest in its housing stock.

- 2.4 This business plan recognises the realities of the financial pressures faced by local authorities across the United Kingdom especially the local situation in Slough Borough Council. A prudent and pragmatic approach has been adopted to reflect an organisation that is prepared to live within its means, balance its budgets and deliver best value for tenants and service users.
- 2.5 The business plan projections reflect the income and expenditure required to manage the landlord function and, at the same time, work towards the Council's objectives to maintain and improve stock condition. The proposals support the delivery of the strategic priority 3 of the A Fresh Start Corporate Plan 2023-2027 by setting rents & service charges with a view to maximising all available rental income streams and maintaining the asset value of the HRA by building financial stability and providing good quality, safe, well maintained, and managed council homes.

3. HRA Background

- 3.1 The HRA specifically accounts for revenue income and expenditure relating to the Council's own housing stock and is ring fenced from the Council's General Fund as required by the Local Government and Housing Act 1989, which specifies the items that can be charged and credited to it. The account must include all costs and income relating to the Council's landlord role for those properties held under s.74 of the Local Government and Housing Act 1989. The Council has a legal duty to prevent debit balances on the HRA.
- 3.2 The HRA self-financing system for Council Housing was implemented in April 2012. It introduced a more certain future for local authorities providing more responsibility and greater flexibility over local accounts. Authorities had the opportunity to determine local priorities with a more strategic longer-term view rather than on a year-to-year basis. This new approach as well as giving more responsibility to authorities also ensured that authorities bore more risks. Spend and income for both capital and revenue had to be projected for, in future years, treasury management and repayment of debt had to be accounted for, and the viability of the HRA had to be ensured.
- 3.3 Slough as a social landlord manages a current residential property portfolio of 5,948 tenanted homes and 1,424 leasehold homes. The primary source of funding to meet this commitment is rent paid by tenants and the Council is strictly limited as to the extent it can raise these rents. Service charges are set to cover the cost of those services that are only provided to a proportion of tenants and leaseholders and are often connected with communal facilities. It is a contractual term within the council's periodic tenancy agreements and licences that rents and charges are reviewed on an annual basis with new rents starting normally from the first Monday in April. The Council has a statutory power to vary rents by giving 28 days' notice in advance.
- 3.4 As well as investing in our existing housing stock to ensure all residents' homes are compliant, safe, warm, and dry, the Council will also wish to improve its housing stock, invest in significantly reducing its carbon footprint and deliver some new affordable housing unit over the life of the Plan. Further improvements and regeneration projects are also likely to require funding during this period.
- 3.5 Each year the Council must review, update, and approve the Plan in line with best practice. A re-profiling of revenue expenditure, capital expenditure proposals, and updates on how the Council plans to finance the capital programme including use of surplus capital receipts, grants and HRA borrowing, is also be carried out annually.

4. National and local priorities that impact the HRA Business Plan

- 4.1 From April 2020 local authority rents have been regulated by the Regulator of Social Housing, alongside housing associations and other registered providers. Annual rent increases must comply with government rents policy for Social Housing updated in 2025. The government has confirmed a new long-term 10-year settlement for social housing rents from April 2026 to provide the social housing sector with the certainty required to reinvest in existing and new housing stock. As before the social housing rents are permitted to increase by CPI+1% every year for 10 years from April 2026 (based on CPI at the preceding September), with properties below target rent levels moved directly to target rent only when they become void.
- 4.2 On the 28 January 2026, the Government confirmed its convergence policy for years after 2026-27 as follows: for 2027/28, where the actual rent is less than the formula rent, then actual rent will increase by CPI + 1% + the minimum of £1 or the increase required to converge with the formula rent. From 2028/29, where the actual rent is less than the formula rent, actual rent will increase by CPI + 1% + the minimum of £2 or the increase required to converge with the formula rent. These changes will be reflected in the next refresh of the business Plan following due consultation. The 2026/27 rent recommendation remains as set out in this paper.
- 4.3 Service charges are exempt from the rent policy however, increases are expected to be within the limit of CPI (as at September in the previous year) plus 1 percentage point, where possible to help keep charges affordable. The draft Rent Standard for 2026 confirms that providers are free to apply a lower increase or freeze or reduce rents, and in making such a decision should consider the local market context when deciding whether to implement a rent increase and the level of that increase, as well as the levels of Housing Benefit or Universal Credit that are available to claimant households who might occupy their properties.
- 4.4 The Plan therefore proposes dwelling rent increase for social and affordable rent properties of 4.8% in 2026/27, the maximum increase allowed by the current rent regulation and calculated at CPI + 1%, where the September CPI is 3.8%. The council continues to exercise its discretion under the rent restructuring regulation to set rents for re-lets (both new tenants and transfers) up to formula target rent for social rent properties. Affordable rent properties have separate rules in relation to setting new rent with the initial rent being no more than 80% of gross market rent. The proposed new Rent Standard provides additional flexibility to charge affordable rent if a property has not previously been let at a Social Rent. This provides additional flexibility for the Council when acquiring new properties. Tenant service charges and non-dwelling rents and charges are also to increase by 4.8% respectively in 2026/27.
- 4.5 The government has set up a new £39 billion Social and Affordable Homes Programme (SAHP) for 10 years, from 2026-2036, with a target to deliver around 300,000 new social and affordable homes to help tackle the housing crisis. The program has a target to deliver at least 60% of the homes under the programme as social rent with the remainder available for other tenures. The new social rent homes are expected to be delivered using RTB receipts and s106 agreements. £11.7 billion of the funding is expected to be administered by the GLA and the balance by Homes England. The programme will not have numerical targets or ringfenced budgets for particular regions or types of home beyond confirming the GLA's portion. A full prospectus for the new programme is expected soon with bids open in February with grant decisions in April 2026.

- 4.6 The government is committed to retaining a route for longstanding council tenants to buy their home as well as protect the council housing stock. The maximum cash discounts available to tenants has been reduced, and councils are allowed to keep 100% of RTB receipts to help fund new build stock. Further RTB reforms announced by government include: increasing the time a tenant must have been a public sector tenant, from 3 to 10 years, before they are eligible for RTB; reforming discounts so they start at 5% of the property value, rising by 1% for every extra year an individual is a secure tenant up to the maximum of 15% of the property value or the cash discount cap (whichever is lower); and exempting newly built social homes from RTB for 35 years, ensuring councils are not losing homes before recovering full build costs. Government has extended existing flexibilities on spending RTB receipts indefinitely and from 2026/27 councils will be permitted to combine receipts with grant funding for affordable housing to accelerate delivery of new homes. RTB summary over the next five years as reflected in the Plan is set out below

Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecast	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m
RTB Sales	50	60	20	20	20	20
RTB Receipts	6.588	12.934	4.703	4.860	5.022	5.189

5. New and Ongoing Burdens

- 5.1 There are increasing levels of housing tenancy fraud referrals occurring within Slough. The national picture estimates that up to 20% of housing tenancies are subject in one way or another to fraudulent activity. This includes tenancy, succession, void, and subletting of dwellings. This clearly needs to be tackled given the scarce resource affordable and social housing represents. The Plan continues to make provision of £0.1m for two housing fraud investigation officers dedicated to HRA fraud detection.
- 5.2 The Fire Safety (England) Regulations 2022 (the Regulations): the Council has no outstanding actions related to the 2 high-rise blocks. There are however still significant numbers of fire safety actions to complete, relating especially to fire door renewals and loft compartmentation. A total of £3m over 5 years have been provided within the Plan and will be reviewed accordingly to deal with any further legislative amendments.
- 5.3 Damp and Mould: Awaab's Law, took effect from October 27, 2025, and mandates social landlords in England to address hazardous living conditions, particularly damp and mould, ensuring tenant safety and health. It introduced strict time limits for social housing providers to take swift action to address dangerous hazards such as damp and mould and sets out legal requirements for social landlords to investigate hazards within 14 days, to start fixing them within a further 7 days, and to make emergency repairs within 24 hours. Landlords who fail to do so can be taken to court where they may be ordered to pay compensation to tenants.
- 5.4 The full impacts of these requirements prescribe tight timelines for responses and repairs, and good progress is being made on works associated with rectifying these issues and further proactive work is provided for in the Plan. This includes the implementation of a risk-based inspection process currently now in place for those cases notified as needing a rapid response, along with a planned approach for those particular property archetypes which might be identified as requiring a planned

maintenance and thermal improvements. The Plan continues to include a budget provision of £1m pa for Damp & Mould which is a cat 1 hazards.

- 5.5 Decarbonisation: The Council plans to deliver the full decarbonisation objectives as set out by Government. The costs elements include improvements/replacement of central heating boilers/carcass, doors, windows, and internal/external structures etc. The individual details of measures for each property are to bring the EPC ratings up from D-G to a minimum of C. The ongoing funding requirement for these costs is provided for within the Plan based on estimated current costs uplifted for inflation over the full 30-year cycle of the plan. There is government funding available to all social housing providers, the council was successful with its Wrm Homes Social Housing Warm Fund wave 3bid lb yar for a total grant funding of £6.331m over 3 years. The provision with the Plan provides sufficient match funding for the government grant.
- 5.6 Repairs & Maintenance: The new RMI contract will be designed to reflect tenant expectations more closely from 26/27. £0.300m have been included in the Plan to cover decommissioning, re-tendering, and enhanced customer focused client management team costs.
- 5.7 NEC Housing Management IT Contract Update: The NEC Housing Management IT System contract ends in February 2026, with one final extension available to February 2027. To manage this transition, a soft market test is underway to assess whether an alternative provider offers better value or if a longer-term arrangement with NEC should be pursued. This will inform Cabinet decisions early in 2026. In addition, an external review of the NEC Housing implementation will commence shortly to identify lessons learned and validate future plans. These actions aim to ensure continuity of service, avoid unnecessary investment, and secure best value for the organisation. The Plan includes ongoing and additional growth in the revenue budget plus new capital budget to fund the project requirements.
- 5.8 Housing Inspection: The inspection of SBC housing provision by the national Regulator for Social Housing, took place in April 2025 and looked at all aspects of the council housing service, including property standards, repairs and maintenance and customer service and communications and tenant engagement. The housing management service was rated a C3, the third of a possible four ratings. Significant improvement is needed, specifically in relation to outcomes in the Transparency, Influence and Accountability Standard and Tenancy Standard, some elements of the Safety and Quality Standard and the Neighbourhood and Community Standard. An improvement plan to address the identified issues is in place and so is regular engagement with the Regulator to ensure the service is meeting required legislative requirements.
- 5.9 The Regulator stated that significant improvements are needed and confirmed a consumer grading of C3. ([Slough Borough Council \(00MD\) - Regulatory Judgement: 25 June 2025 - GOV.UK](#)). A Service Improvement Plan is being implemented, with bimonthly monitoring by the Regulator, to achieve compliance on the existing four standards and meet new regulatory requirements, the Plan reflects additional £0.300m budget provision for increased staffing and capacity to deliver compliance and service improvements, maintenance, and remedial works to meet safety and quality standards, and validation and assurance costs, including audits and certifications.
- 5.10 The Competence and Conduct Standard for social housing in England will start in October 2026. It was developed after a consultation in February 2024 and aims to

improve professionalism and tenant services following the Grenfell Tower tragedy. Senior staff will need formal qualifications, and new conduct rules will apply. Large providers (over 1,000 homes) have three years to comply, while smaller ones have four years. All new staff must be enrolled in training within 12 months of starting. Meeting these standards will cost local authorities significantly. Expenses include mandatory training, qualifications like CIH Level 4, and policy updates. This could affect recruitment and retention. Costs may reach thousands per year, though the apprenticeship levy can help. Strategic investment will be needed to meet Regulator of Social Housing requirements and ensure skilled staff and better tenant experiences. A budget of £0.300m have been provided in the Plan.

- 5.11 Performance will be measured by the Regulator through Tenant Satisfaction Measures (TSMs). Current results show low satisfaction in management and perception, requiring significant improvement. Delivering improved TSM scores is essential to reduce regulatory risk and meet resident expectations. External pressure from the Housing Ombudsman reinforces the need for better complaint handling and service quality. In addition, the introduction of the new Consumer and Competence Standard will raise compliance requirements and increase costs within the Business Plan for training, systems, and assurance.
- 5.12 In summary achieving compliance and improving satisfaction will require additional investment, operational changes, and close regulatory engagement. These measures are critical to meeting delivering the outcomes of the consumer standards, safeguarding residents, and maintaining trust. The Plan includes £0.300m revenue budget provision required for service improvements to support the regulatory standards.
- 5.13 Affordable new homes – government have announced the Local Authority Housing Fund LAHF R4 of £950m over 4 years (from April 2026) to support local authorities in increasing the supply of quality temporary accommodation (TA) and addressing homelessness. Funding has been prioritised to areas with the highest usage of unsuitable temporary accommodation to increase supply of good quality TA properties for family sized homes (2-4+ bed only). Government have offered indicative allocations to each local authority, for Slough it is a total LAHF grant of £10.4m (44% of costs) over 4 years. The balance of £13.4m is to be funded from the HRA, government had confirmed HRA funding can be used to match fund. The Plan includes £26m over 5 years for this and other new affordable homes.

6. Local Context: A Fresh Start

- 6.1 With a population of 158,500 as per the 2021 census, Slough is relatively small in comparison to other unitary council areas. Slough is a collection of formerly distinct villages and neighbourhoods, which still retain their distinct identity and characteristics today as clearly defined residential suburbs. House prices are relatively high, with affordability challenges contributing to high levels of deprivation, and in some parts of the borough the quality of housing is poor. The council housing stock is reducing from right to buy (RTB) sales, there are a large number of people on the housing registers with significant waiting period for a permanent home, a growing number in temporary accommodation and growing pressure on the management and maintenance on existing housing stock.
- 6.2 Slough is over 10 times more densely populated than the average for England. There is an average of three people per household - the highest average size in England, and 16% of households are overcrowded. It is also one of the most ethnically diverse

in England and 44% of residents were born outside of the UK. It has pockets of severe deprivation and 70% of neighbourhoods fall below the national average in the Index of Multiple Deprivation. It, however, remains very well connected, situated 25 miles west of central London with major transport routes and the UK main international airport in proximity.

- 6.3 Slough has an £8 billion economy, with around 7,500 businesses, the highest concentration of UK headquarters of global companies outside of London and the second largest concentration of data centres in the world. Slough's top three specialised employment areas are warehousing and logistics (4.1 times greater than the national average), utilities and waste, and ICT media and creative services. While Slough has a small footprint and is tightly bound, it does have a significant number of public green spaces and leisure facilities to provide opportunities for the local population to be active. There are pockets where air quality is considered poor, and Slough's carbon footprint is relatively high and recycling rates low.
- 6.4 The proposals in the Plan will build on ongoing work to provide financial sustainability for the Council and embed good practice for local government: living within our means, balancing our budget and being honest and open about the difficult decisions that we will need to make over the coming years. It will also support the delivery of affordable, safe, and healthy homes by investing in and improving the quality of existing council housing stock.

7. HRA Base Business Plan – Key General Assumptions

- 7.1 The table 1 below outlines the key assumptions underpinning the 30-year business Plan. The demand for council homes remains high and continues to outstrip supply. If the Council is unable to provide the kind of homes that people want to live in, or can afford to live in, there is a risk that the void rates will increase, undermining both the financial viability of the HRA and the stability of local communities.
- 7.2 These assumptions where applicable are consistent with the Council MTFS in terms of pay award, CPI, NIC increases, insurance premiums, interest rates etc. The Plan is also consistent with the Treasury Management affordability framework such as minimum working balance of £4m and minimum interest cover of 1.25 times of financing costs to net revenue stream.

7.3 Table 1 – Key Business Planning Assumptions

Key Area	Assumption
General Inflation (CPI)	CPI = 3.8% 26/27, 2% 27/28 & thereafter
Social Rent	4.8% in 2026/27, and CPI at 2%+ 1% thereafter. Re-let 5% at Formula Rent
Affordable Rent	Affordable Rent Inflation, 4.8% in 2026/27, 2%+ 1% thereafter. Re-let 60% market rent or LHA whichever is lower, or 80% market rent (depending upon tenure)
Non-dwelling Rent & Service Charges	Service charges and Others 4.8% in 2026/27, and CPI at 2% going forward.
Garages & Shop Rental Income	Garage rents (Council & Private tenants) 4.8% in 2026/27 and CPI at 2% thereafter. Full Shops portfolio disposal is expected by end 2026/27
Right to Buy (RTB) Sale	60 in 2026/27 and 20 thereafter
Right to Buy Receipts	Projected receipts are based on pooling returns and estimated 2025/26 sales (receipts) estimates thereafter

Key Area	Assumption
Debt Management	Maturing debt refinanced/repaid throughout Plan. No additional borrowing is planned.
HRA Minimum Working Balances	HRA minimum working balance of £4m is assumed which represent circa. 10% of annual gross rent
Repairs and Maintenance Major works	Expenditure is adjusted in line with September RPI at 4.5% in 2025/26 and 3% thereafter and flexed in line with stock movements.
Supervision and Management	Expenditure is adjusted in line with September RPI at 4.5% in 2025/26 and 3% thereafter
Energy Costs	Estimated outturn uplifted by September RPI at 4.5%.
Capital Investment in current stock	The Plan provides for over £195m for de-carbonisation works over 30years with inflation uplift
Capital investment	The Plan provides for £157m for new affordable housing stock over 30 years
Voids	Rent loss from voids on Council dwellings assumed to be 1.5% in 2026/27 and 1.5% thereafter, currently 1%
HRA Stock Movement	Baseline numbers are adjusted for projected RTB sales and new affordable housing supply.
Capital charges	Based upon the HRA share of the Council's debt as at 1 April 2026 of £122m of external debt and an assumption on the level internal borrowing. No additional borrowing is envisaged over the life of the business plan.

8. HRA Rental Income & Charges

Dwelling Rents

- 8.1** It is proposed that social and affordable dwelling rent is increased by 4.8%. This is the maximum increase allowed by the current rent regulation and calculated at CPI + 1%, where the September CPI is 3.8%. The Council continues to exercise its discretion under the rent restructuring regulation to set rents for re-lets (both new tenants and transfers) up to formula target rent
- 8.2** Table 2 below set out the average rent per bedroom sizes for social housing dwelling stock. On average dwelling social rents will increase from £130.46 per week currently to £136.97 per week from 6th April 2026, representing on average a £6.27 per week increase. This equates to an additional gross rent of £1.841m in 2026/27, resulting in an estimated annual gross dwelling rent of £40.200m in 2026/27 compared to ££38.358m last year. Rental loss from voids is currently at 1% compared to 1.5% in the previous year.

Table 2: Social Housing Average Rent

Bedroom size	Stock numbers	2025/26 average weekly rent £	2026/27 average weekly rent £	2026/27 average weekly Increase £
0	243	98.43	103.15	4.72
1	2,067	112.49	117.89	5.40
2	1,507	134.95	141.43	6.48
3	1,756	148.98	156.13	7.15
4	153	164.03	171.87	7.84
5	33	184.69	193.56	8.87
>5	2	179.80	188.43	8.63
Total	5,761	130.70	136.97	6.27

- 8.3 In addition, affordable rents will increase on average from £254.85 per week currently to £267.08 per week from 6th April 2026, representing on average a £12.23 per week increase. This equates to an additional gross rent of £0.097m in 2026/27, resulting in an estimated annual gross dwelling rent of £2.124m in 2026/27 compared to £2.028m last year. The total estimated net dwelling rents is an estimated £42.463m compared to £40.518m from last year, an increase of £1.945m or 4.8%.
- 8.4 Considering the ongoing national cost of living and economic crisis any rent increase is still likely to put considerable pressure on tenant's household income. However, on average about 67% of the Council's social housing tenants are in receipt of housing benefit (HB) or the housing element of Universal Credit (UC) and so will also benefit from a similar increase to HB/UC and as such should not be disproportionately affected by the rent increase. However, tenants that do not qualify for HB/UC will have to meet the full cost of any rent increase approved by Cabinet, these tenants should they be impacted by financial stress, maybe eligible for the Discretionary Housing Payment (DHP) and/or will be sign posted to those agencies able to provide financial advice.

Service Charges

- 8.5 Service charges are exempt from the social housing rent policy, and the Council expects to recover costs in full where applicable. The Council operates two service charge calculation regimes for tenants and leaseholders. Tenants' charges are based on fixed service charges, which is set at the start of the rent year to fully recover costs of providing additional services to relevant tenants. Services currently provided and charged for include communal heating and lighting, caretaking & cleaning, block maintenance, and grounds maintenance. Annual reviews are undertaken to ensure costs are being recovered from both tenants and leaseholders. Current review indicates that there still exists an income shortfall albeit the gap has narrowed compared to last year.
- 8.6 The shortfall in service charge income recovered against actual costs incurred is estimated to be £0.223m cumulative at the end of 2025/26. This gap in recovery has been primarily caused because of significant above inflation costs associated with energy, insurance premiums, and other service charges. Cabinet agreed last year to a phased costs recovery over four years to ensure the charges remain affordable to tenants thereby keeping the burden on service charge customers to a minimum.

- 8.7 It is therefore proposed to increase service charges in 2026/27(Y3 of 4) by 4.8%, with a view to fully closing the income recovery gap in 27/28. Table 3 below sets out the average tenant service charges per week.

Table 3: Average Service Charges per week

Description	Tenant numbers	2025/26 average weekly charges £	2026/27 average weekly charges £	2026/27 average weekly Increase £
Heating	175	17.41	18.25	0.84
Service Charge Administration	2,786	1.63	1.70	0.07
Communal Estate and Cleaning	2,657	7.70	8.07	0.37
Communal Health and Safety	2,336	2.73	2.86	0.13
Communal Heat and Lighting	2,481	1.48	1.55	0.07
Communal Water	132	5.32	5.57	0.25
Average	2,855	13.58	14.23	0.65

- 8.8 The average weekly tenant service charges will therefore increase to £14.23 per week per tenant from £13.58 per week currently representing a £0.65 increase per week or £0.097m per year. This estimated annual gross tenant service charge income is £2.113m in 2026/27 compared to estimated £2.016m last year. Rental loss from voids is currently at 1.44% same as in the previous year. The total estimated net service charge income is an estimated £2.083m compared to £1.987m from last year, an increase of £0.095m or 4.8%. These charges are recoverable from housing benefit where relevant.
- 8.9 The estimated total service charge costs in 2026/27 to be recovered from both tenants and leaseholders is £3.631m, compared to an estimated income recovery of £3.706m, of which £2.114m is estimated to be recovered from tenants and the balance from Leaseholders resulting in a small surplus after all costs of £0.75m. The estimated surplus which will go towards reducing the current estimated cumulative gap from £0.223m to £0.148m at the end of the 26/27 financial year. The remaining estimated gap of £0.148m is to be fully recovered by the end of 2027/28.
- 8.10 In addition to recovering service costs from tenants the Council also recovers costs from leaseholders. Leasehold service charges are calculated, and invoices issued twice a year. The first invoice is based on an estimated charges for the new year. The second charge is based on re-calculated charge based on actual spend for the prior year. The charges recovered from leaseholders is based on an apportionment of actual costs and will not be impacted by the proposed increases above.
- 8.11 A management fee is also added to the cost of services to cover the preparation of estimates and actual costs, billing consultation on repairs and improvement works and estate management. This is to ensure that the service provided to the leaseholders are fully recoverable as it is unlawful for the HRA tenants to subsidise leaseholders. The current recovery of the management fee is under review to ensure it is sufficient to cover the cost of administering the service.

Garage Rents & Commercial Shops

- 8.12 The council has agreed to apply a “no detriment” principle to the allocation of surplus capital receipts from the sale of non-residential HRA dwelling assets like garages, retail shops, and other land & buildings. Essentially, excess capital receipts from the sale of HRA assets can be transferred to the general fund if it can be demonstrated that there is no detriment to the HRA. Capital receipts over and above the existing value of the asset less loss of future streams of income and costs is deemed to be transferable to the general fund.
- 8.13 The council’s long-term estate strategy includes a range of proposed disposal options for HRA garages to achieve income both capital and revenue to the Council. A total of 303 HRA garages have been disposed to date, with a further 1,000+ flagged for disposal by the end for the 2026/27 financial year. Proceed of sale from disposals is a total of £3.167m with an annual gross rental income loss of about £0.200m. The HRA retention of these capital receipts has been subject to the “no detriment” principle where proceed of sale of HRA assets can be transferred to the general fund under a ‘no detriment’ principles to the HRA. A total of £0.793m proceed of sale was accounted for in 2024/25, of which £0.317m (40%) was retained by the HRA with the balance of £0.476m (60%) transferred to the general fund. The estimated garage rental income therefore reflects the loss of these and other planned disposals in the next year.
- 8.14 Of the remaining 1,302 units over 70% are void and includes about 1,000 marked for sale by the end of next financial year. It is proposed that garage rent is increased by 4.8%, in line with proposals for rent increase. The average weekly council tenant charges will therefore increase to £12.51 per week per tenant from £11.94 per week currently representing a £0.57p per week increase. This will generate a gross additional income of £0.038m per annum, resulting in an estimated annual gross income of £0.828m in 2026/27 compared to £0.791m last year. Rental loss from voids is currently at 71%, 63% last year. The total estimated net garage rental income is an estimated £0.281m compared to £0.268m from last year, an increase of £0.013m or 4.8%. The actual net income receivable will be subject to progress with the disposal programme.
- 8.15 The HRA retail shops portfolio is also part of the long-term estate disposal strategy, it is proposed that all of the HRA shops are to be disposed by the end of March 2027. To date 7 retail unit complex have been sold for a total of £10.421m with an annual gross rental income loss of £0.600m for the entire retail shops portfolio. These capital receipts are also subject to the “no detriment” process and of a total of £0.767m accounted for in 2024/25 £0.236m (31%) was retained by the HRA with the balance of £0.530m (69%) transferred to the general fund. The Plan assumes the rest of the retail units are to be disposed by the end of the 2026/27 financial year and only reflects a notional £0.050m in rental income from Shops.
- 8.16 A number of other land & buildings have also been disposed generating a total capital receipts of £8.906m over the last two years. These capital receipts are also subject to the “no detriment” process and of a total of £5.105m accounted for in 2024/25, £1.819m (36%) was retained by the HRA with the balance of £3.285m (64%) transferred to the General Fund. The estate strategy also includes regular review of assets held in the HRA to ensure they are appropriately held in the HRA in connection with Part 2 of the Housing Act.

- 8.17 The HRA also receives interest on general or earmarked revenue balances, funds set-aside in the major repairs reserve (MRR), unapplied capital receipts etc. The Plan reflects a projected interest income on interest bearing balances based on an estimated average investment interest rate is £0.901m for 2026/27.

9. HRA Revenue Budgets

- 9.1 Repairs and Maintenance (R&M) budget funds the cost of repairing and maintaining the HRA housing stock and associated assets. R&M expenditure is projected at £14.687m in 2026/27 inclusive of inflationary increase. The budget includes ongoing provision for damp & mould and other regulatory interventions as required. Also provided for one off costs for tendering new contract, decommissioning current contract and Hawker house and additional provision of a new client management team.
- 9.2 Supervision and Management budget includes costs of managing the housing stock estimated at £9.738m in 2026/27 inclusive of inflationary increase. Supervision and management costs are assumed to be 90% fixed and so 10% of the average cost per unit is assumed to be saved when the housing stock decreases due to either Right to Buy (RTB) sales, demolitions, or other disposals or increases due to additions. Government recently returned maximum RTB discounts to their pre-2012 levels from of 21 November 2024. Discounts in Slough will now reduce from £0.102m to £0.038m. This resulted in a last minute surge in application from tenants to buy their homes. The model therefore reflects a slight increase in projected RTB sales in the medium term. Government also introduced in July 2024 flexibility that allows local authorities to use retained RTB receipts to support 100% of expenditure on the new provision of housing (alongside s106 receipts).
- 9.3 Service costs reflect additional services currently provided to tenant & leaseholders and include communal heating and lighting, caretaking & cleaning, block maintenance, and grounds maintenance. These costs are recoverable from relevant tenant & leaseholders.
- 9.4 Due to the ongoing cost of living crisis and the continued roll out of universal credit and its potential impact on council tenant ability to pay their rents, the business plan reflects an annual increase in provision of £0.537m in 26/27 inclusive of inflation.
- 9.5 Rent, rates, taxes, and other charges budget is £0.480m in 2026/27 inclusive of inflationary increase and reflects the costs of mainly council tax on empty properties and other landlord costs payable.
- 9.6 External debt relating to the HRA is £122m and there are further amounts borrowed internally. The active debt is made up of different maturity loans with the Public Works Loans Board (PWLB), internal and other market loans with an average borrowing interest rate of 3.35% equating to £4.582m payable in 2026/27 and subsequent years until 2029/30 when it drops slightly to £4.527m as loans mature and are repaid where appropriate. It is also assumed that a total of £4.116m maturing loans will be repaid out of annual rents. The Plan assumes no additional borrowing over the 30 year period.
- 9.7 The proposed 2026/27 and the next four year revenue budgets are set out in Appendix C. It is estimated that the Plan will deliver surplus budgets in 2026/27 and in the next four years to be transferred to the HRA general balances.

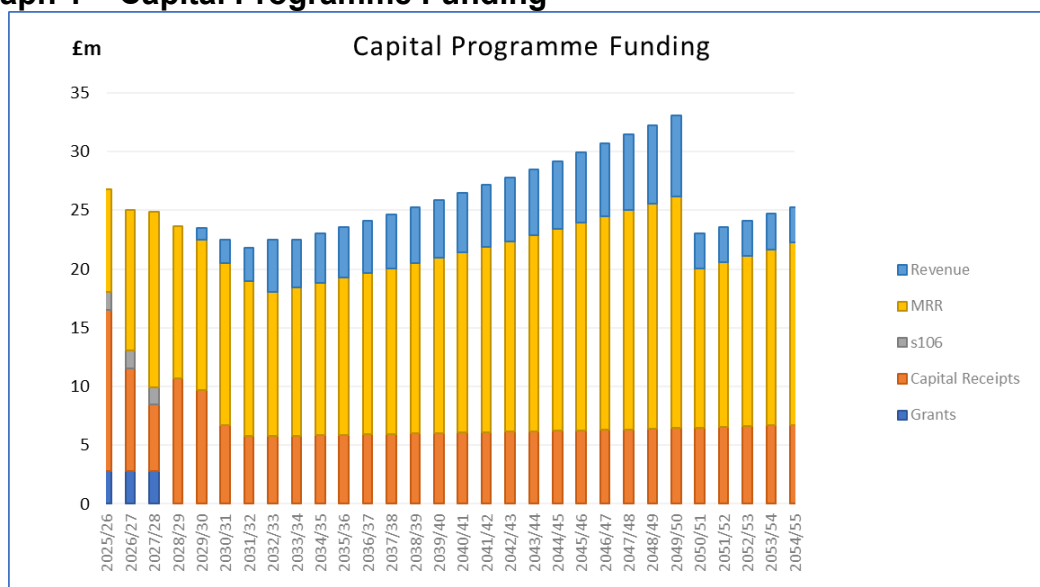
10. HRA Capital Programme & Funding

- 10.1 Housing stocks owned by the Council must meet the Decent Homes Standard. Landlords must continue to maintain homes to at least this standard. The stock condition information from the surveys and the stock grading modelling provides the basis for the capital programme, which also includes expenditure on aids and adaptations, energy efficiency, the refurbishment of apartment blocks and our estate improvement approach, bringing increased investment into the external environment. The Council agrees voluntarily to carry out minor aids and adaptations to improve quality of lives and to enable residents to live longer in their homes.
- 10.2 The Council's major work and planned maintenance schemes are on a rolling programme of works to improve the condition of existing stock. The planned works programme included in the business plan are renewal of central heating and boiler upgrades; replacement of external doors and windows; renewal of roofs and soffits; external lighting upgrades; garage improvements, de-carbonisation and external environmental improvements, kitchen and bathrooms, and thermal insulation. The Plan also includes new provision for essential enhancement to the Housing Management system (NEC) to support service improvements.
- 10.3 Decarbonisation – the Plan makes provision for £6.173m annually uplifted by inflation over the next five years to enable the Council respond effectively and deliver works associated with achieving the governments net zero targets.
- 10.4 New Affordable – the Plan makes provision for £157m for the acquisition and refurbishment of 300 empty homes over the life of the Plan. The refurbishment of 10 flats at Garrick house is completed for phase one with phase two ongoing. The refurbishment of the newly acquired Rigby Lodge and other acquired new properties is also ongoing. Two further family size homes were acquired in year. The Council will continue to create an enabling environment for developers to build in Slough.
- 10.5 The Investment requirement is £25m in 2026/27 and a total of £117m over the 5 years. The Plan allows for £775m for maintaining and improving existing, developing new stock over the next 30 years. (See Appendix B). The proposed annual capital programme budget for the next five year is set out in Appendix D.
- 10.6 The investment requirements have been informed by ongoing engagements with tenants, stock condition surveys, fire safety, environmental, and other regulatory requirements. Based on the estimates over the 30-Year Plan, the HRA will continue to finance existing debts, together with the ongoing supervision and management, repairs and maintenance costs and maintaining adequate reserves.

Capital Programme Funding

- 10.7 The graph below depicts key areas of financing of the capital programme which is primarily from Major Repair Reserves (MRR), and capital receipts, s106 and contribution from the revenue general reserve.

Graph 1 – Capital Programme Funding



HRA Debt / Borrowing

10.8 At the introduction of HRA self-financing in 2012, the council made a settlement payment to DCLG of £135.84m on 28th March 2012 to exit the HRA subsidy system. This was funded by £115.84m fixed term PWLB loans of various maturities, £10m variable PWLB loan for 10years (now redeemed) and £10m of internal borrowing. In addition a total of £4.116m of £27m pre 2012 PWLB Loans was allocated to the HRA plus £2.277m of £13m pre 2012 Market loan resulting in a total HRA debt brought forward in April 2026 of £137m. £122m of this consists of external borrowing. The HRA pays borrowing costs on the outstanding debt of £4.582m annually at an average interest rate of 3.34%. The HRA debt is assumed to decrease during the 30 years, as maturing debt is repaid and no additional borrowing is assumed.

10.9 The HRA has sufficient resources to fund the ongoing capital programme without the need for further borrowings. The Business Plan assumes the need to refinance the debts as and when the debts become repayable from rental income or general reserves. The graph below shows the HRA debt position over the 30-year business plan period.

Implications of the Recommendation

11. Financial implications

11.1 This report outlines the Council's approach for Cabinet to consider the rent & service charges increases, revenue budget 2026/27 and MTFS, 5 year Capital programme and funding including the national and local context for developing next year's budget. As such, the report is a financial report with implications set out throughout the report.

11.2 The rent proposals are robust, in line with current social housing rent regime and will help ensure that the Council prepares a viable 30yrs Business Plan and sets an affordable medium-term budget. The HRA is a ringfenced account and cannot be used to off-set GF savings targets as per the draft budget paper also being considered by Cabinet

- 11.3 These proposals contained in the report are recommended for Cabinet approval and in turn recommended for approval by Full Council in March 2026.

12. Legal implications (Mandatory)

- 12.1 Under section 74 of the Local Government and Housing Act 1989 the Council, as a Local Housing Authority, must maintain a Housing Revenue Account (HRA) which includes sums falling to be credited or debited in accordance with the category of properties listed within s74(1), which consists primarily of Council housing stock. HRA must include any capital expenditure on housing stock which a Local Authority has decided to charge to revenue. Save in accordance with a direction of the Secretary of State, sums may not be transferred between HRA or General Fund, therefore, HRA is ring-fenced and cannot be used to subsidise a budget deficit within General Fund, neither can General Fund be used to subsidise a budget deficit in HRA. Section 76 of 1989 Act requires the Council during the months of January and February to formulate proposals to secure HRA for each financial year does not show a debit balance. If a debit occurs, this must be carried forward to next financial year.
- 12.2 Section 103 of the Housing Act 1985 permits the Council to vary the rent and service charges by giving notice of at least four weeks or the rental period whichever is longer. When setting rents, the Council must comply with the Rent Standard and Policy Statement on rents for social housing issued by the Ministry for Housing, Communities and Local Government.
- 12.3 The draft Policy Statement on Rents for 2026 states the following on setting of service charges:
- 2.34 Registered providers are expected to set reasonable and transparent service charges which reflect the service being provided to tenants. Tenants should be supplied with clear information on how service charges are set. In the case of Social Rent properties, providers are expected to identify service charges separately from the rent charge.
- 2.35 Service charges are not governed by the same factors as rent. However, registered providers should endeavour to keep increases for service charges within the limit of CPI (as at September in the previous year) plus 1 percentage point, to help keep charges affordable.
- 2.36 Where new or extended services are introduced, and an additional charge may need to be made, registered providers should consult with tenants.

13. Risk management implications (Mandatory)

- 13.1 The business plan is based on a set of assumptions, and there will always be an element of risk of changes in cashflow projections in the revenue and capital accounts, if any of the assumption fail to materialise. The risks that have been identified in the development of the HRA Business Plan are set out in table 6 below along with the mitigation.

Table 6: Risk Profile

Risk Area	Description	Mitigation Action
Right to Buy receipts	Changes to the right to buy rules result in an increase in the level of sales, with the associated commitment to deliver replacement units or pay over receipts with interest. This impacts the resources available to finance the capital investment programme.	Retained resources are monitored to ensure delivery of required units or return of resource at earliest opportunity. Sensitivities modelled so potential impacts are understood. Delivery timeframe extended to 5 years, with ability to invest 100% of receipt into the replacement dwelling
Welfare and Benefit Reforms.	Reforms to welfare and benefits such as universal credit can affect the HRA Business Plan, has a potential to cause increases in rents and service charge arrears sometimes resulting in increased bad debt levels.	Establishing delivery partnership agreement that supports the most vulnerable. Performance closely monitored to allow further positive action if required. Continuing to review strategy for maximising rent collection that reflects Universal Credit implications for transition and full service. Continuing raising awareness with residents about Universal Credit, including what it means for them.
Cost of Living impacts on tenants and leaseholders	With those on lower salaries suffering disproportionately in the current cost of living crisis, some tenants may fall into arrears as they struggle to pay higher rates of rent and service charge. This will impact on the Council's collection rates.	It may therefore be necessary to agree repayment plans for tenants and also increase the provision for bad debts.
Poor collection of rent	Rent income is under-achieved due to a major incident in the housing stock	Identify and address key issues in the housing stock to minimise likelihood of widespread of non-collection. It may therefore be necessary to agree repayment plans for tenants and also increase the provision for bad debts. Increased resources identified for income management. Performance closely monitored to allow further positive action if required.
Inflation	Inflation will always be the most obvious risk to the business plan. Inflation increase for income and expenditure should be some mitigation in itself. The highly increased contractual inflation on the repairs element and elsewhere result in a deficit position.	A level of inflation on capital and revenue budget has been provided for in the business plan. However, market uncertainties may mean that this is insufficient.
Decarbonisation of Housing Stock	Government's commitment to target net zero carbon emission by 2050 and the resulting implication of the decarbonisation of SBC's social housing stock. The cost of achieving decarbonisation is significant.	Detailed specialist survey has been commissioned and estimated costs reflected in the Business Plan. It is too early to establish if the provision is sufficient.
Damp and Mould	There is now the requirement for Registered Providers (RP) with more than a thousand homes to provide evidence to the Social Housing Regulator of their approach to dealing with damp and mould issues. The penalty of noncompliance or poor performance may mean new funding being withheld from such RP.	Work is in progress and provision has been made in the Business plan.
New legislation and regulations	New legislation and regulations are likely to impact this business plan. Implications of new legislation / regulation or changes to existing are not identified. Changes in national housing or rent policy impact the ability to support the housing debt or deliver against planned investment programmes	Effective, formal, regular review processes are in place for the HRA to ensure that implications are identified, quantified, and highlighted. Impact of any proposed changes to national rent policy is incorporated into financial planning as early as possible with scenario impact quantified

14.Environmental implications

14.1 See sections above.

15.Equalities implications

- 15.1 Pursuant to the Equality Act 2010, the Council, in the exercise of its functions, has to have 'due regard' to (i) eliminating discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; (ii) advancing equality of opportunity between those with a relevant protected characteristic and those without; and (iii) fostering good relations between those with a relevant protected characteristic and those without. The relevant protected characteristics are age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sex, and sexual orientation. The duty also covers marriage and civil partnership, but to a limited extent.
- 15.2 The HRA business plan is an operational document on the delivery of the landlord function by the Council. Individual regeneration/improvement schemes will be subject to an Equalities Impact Assessment to ensure any arising issues are addressed. Major aids and adaptations are included as essential work within the capital programme.
- 15.3 A Residents Board online meeting with Officers and Councillor present, was held on 20 January 2026 to outline and consult on the proposed 2026/27 rent and service charge increases in this report. A presentation was made by officers which explained the national rent-setting framework, the proposed 4.8% rent and the service charge increases, and how the rental income will be used next year in delivering service and ensuring that the Council's homes were safe in line with the Regulator of Social Housing's Consumer Standards.
- 15.4 Board members engaged fully, responding to consultation questions posed by officers and challenging officers on service quality, contractor performance, and value for money. While board members broadly accepted the need for the proposed increases, they stressed that services funded by rents and service charges must improve, particularly given current low resident satisfaction and concerns that increases may make it harder to rebuild trust with tenants and leaseholders.
- 15.5 Board members also highlighted the financial impact of the rises on tenants and leaseholders. The existing support schemes were outlined and the introduction of a Crisis and Resilience Fund from April 2026 noted, prompting further questions from the Board. The Board also requested to be consulted on all future proposed rent and service charge increases.

16.Procurement implications

None. Any procurement arrangements associated with any necessary investment in the stock will be highlighted and dealt with in accordance with the Council's procurement policy. The current process for re procuring the new RMI contract will commence in April 2026.has been approved by Cabinet at its meeting in December 2023.

17. Workforce implications

17.1 There are none at present. Workforce impacts associated with the new RMI contract re procurement will be managed and dealt with at the appropriate time. This includes any necessary TUPE implications associated with the contract renewal or bringing any services in house.

18. Property implications

18.1 None.

19. Background Papers

Appendices

Appendix A - HRA 30-Year Business Plan – Revenue

Year	Total Income	Responsive & Cyclical	Management	Other Expenditure	Depreciation	Revenue contribution	Interest payable	Investment Income	Loan Repayment	(Surplus) / Deficit	Balances CFWD
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2025/26	(46.260)	14.054	13.449	0.972	10.079	0.000	4.582	(0.817)	0.000	(3.940)	(22.536)
2026/27	(46.586)	14.687	14.645	1.016	10.480	0.000	4.582	(0.877)	0.000	(2.053)	(24.589)
2027/28	(47.850)	15.127	14.775	1.047	10.703	0.000	4.570	(0.849)	0.876	(1.601)	(26.190)
2028/29	(49.415)	16.186	15.212	1.078	11.005	0.000	4.531	(0.818)	0.088	(2.133)	(28.323)
2029/30	(51.023)	16.186	15.343	1.110	11.316	0.000	4.527	(0.831)	0.000	(3.372)	(31.695)
2030/31	(53.606)	16.186	15.799	1.144	11.635	2.000	4.527	(0.856)	0.000	(3.170)	(34.864)
2031/32	(54.374)	16.186	16.269	1.178	11.964	2.784	4.509	(0.872)	0.876	(1.479)	(36.343)
2032/33	(56.120)	16.186	16.753	1.213	12.302	4.401	4.426	(0.896)	0.000	(1.734)	(38.078)
2033/34	(57.914)	16.186	17.252	1.250	12.649	4.023	4.426	(0.958)	0.000	(3.086)	(41.163)
2034/35	(59.757)	16.186	17.765	1.287	13.006	4.160	4.426	(1.048)	0.000	(3.975)	(45.138)
2035/36	(62.739)	16.186	18.294	1.326	13.373	4.300	4.426	(1.175)	0.000	(6.009)	(51.147)
2036/37	(63.032)	16.186	18.838	1.366	13.751	4.446	4.383	(1.303)	1.401	(3.964)	(55.111)
2037/38	(64.439)	16.186	19.398	1.407	14.139	4.597	4.280	(1.429)	0.000	(5.861)	(60.973)
2038/39	(65.872)	16.186	19.975	1.449	14.537	4.753	4.253	(1.573)	0.876	(5.415)	(66.388)
2039/40	(67.331)	16.186	20.569	1.492	14.948	4.914	4.144	(1.729)	0.000	(6.806)	(73.194)
2040/41	(68.817)	16.186	21.181	1.537	15.369	5.081	4.145	(1.908)	0.000	(7.226)	(80.419)
2041/42	(71.569)	16.186	21.811	1.583	15.803	5.254	4.067	(2.116)	0.000	(8.980)	(89.399)
2042/43	(71.873)	16.186	22.460	1.631	16.248	5.432	3.967	(2.336)	0.000	(8.285)	(97.684)
2043/44	(73.444)	16.186	23.128	1.679	16.707	5.617	3.967	(2.554)	0.000	(8.714)	(106.398)
2044/45	(75.045)	16.186	23.816	1.730	17.178	5.808	3.967	(2.782)	0.000	(9.142)	(115.540)
2045/46	(76.676)	16.186	24.524	1.782	17.662	6.005	3.967	(3.021)	0.000	(9.571)	(125.111)
2046/47	(78.339)	16.186	25.253	1.835	18.160	6.210	3.967	(3.271)	0.000	(9.999)	(135.110)
2047/48	(81.436)	16.186	26.004	1.890	18.672	6.421	3.967	(3.551)	0.000	(11.846)	(146.956)
2048/49	(81.761)	16.186	26.778	1.947	19.198	6.639	3.967	(3.841)	0.000	(10.887)	(157.843)
2049/50	(83.522)	16.186	27.574	2.005	19.739	6.865	3.967	(4.125)	0.000	(11.310)	(169.154)
2050/51	(85.318)	16.186	28.394	2.066	20.295	3.000	3.967	(4.561)	0.000	(15.971)	(185.124)
2051/52	(87.148)	16.186	29.238	2.128	20.867	3.000	3.967	(5.155)	0.000	(16.918)	(202.042)
2052/53	(90.569)	16.186	30.108	2.191	21.455	3.000	4.100	(5.795)	0.000	(19.324)	(221.366)
2053/54	(90.920)	16.186	31.003	2.257	22.059	3.000	4.100	(6.461)	0.000	(18.775)	(240.141)
2054/55	(92.862)	16.672	31.924	2.325	22.680	3.000	3.897	(7.002)	0.000	(19.365)	(259.507)
Total	(2,055.615)	481.384	647.536	46.920	467.976	114.710	126.569	(74.508)	4.116	(240.911)	

Appendix B - HRA 30-Year Capital Program & Funding

Year	Planned Major Works & Improvements	Works to promote decarbonisation	Affordable Homes	Total Expenditure	Capital Receipts	Major Repairs Reserve	Grant	S106	Revenue Contribution	Total Financing
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2025/26	9.845	6.173	10.754	26.771	13.726	8.755	2.791	1.500	0.000	26.771
2026/27	12.556	6.273	6.200	25.029	8.763	11.975	2.791	1.500	0.000	25.029
2027/28	13.504	6.373	5.000	24.877	5.641	14.946	2.791	1.500	0.000	24.877
2028/29	12.179	6.473	5.000	23.652	10.666	12.986	0.000	0.000	0.000	23.652
2029/30	10.888	6.580	5.000	22.468	9.693	12.775	0.000	0.000	0.000	22.468
2030/31	10.940	6.580	5.000	22.520	6.720	13.800	0.000	0.000	2.000	22.520
2031/32	10.200	6.580	5.000	21.780	5.749	13.247	0.000	0.000	2.784	21.780
2032/33	10.900	6.580	5.000	22.480	5.778	12.302	0.000	0.000	4.401	22.480
2033/34	10.900	6.580	5.000	22.480	5.808	12.649	0.000	0.000	4.023	22.480
2034/35	11.227	6.777	5.000	23.005	5.839	13.006	0.000	0.000	4.160	23.005
2035/36	11.564	6.981	5.000	23.545	5.871	13.373	0.000	0.000	4.300	23.545
2036/37	11.911	7.190	5.000	24.101	5.904	13.751	0.000	0.000	4.446	24.101
2037/38	12.268	7.406	5.000	24.674	5.939	14.139	0.000	0.000	4.597	24.674
2038/39	12.636	7.628	5.000	25.264	5.974	14.537	0.000	0.000	4.753	25.264
2039/40	13.015	7.857	5.000	25.872	6.010	14.948	0.000	0.000	4.914	25.872
2040/41	13.406	8.093	5.000	26.498	6.048	15.369	0.000	0.000	5.081	26.498
2041/42	13.808	8.335	5.000	27.143	6.087	15.803	0.000	0.000	5.254	27.143
2042/43	14.222	8.585	5.000	27.808	6.127	16.248	0.000	0.000	5.432	27.808
2043/44	14.649	8.843	5.000	28.492	6.169	16.707	0.000	0.000	5.617	28.492
2044/45	15.088	9.108	5.000	29.197	6.211	17.178	0.000	0.000	5.808	29.197
2045/46	15.541	9.382	5.000	29.923	6.255	17.662	0.000	0.000	6.005	29.923
2046/47	16.007	9.663	5.000	30.670	6.301	18.160	0.000	0.000	6.210	30.670
2047/48	16.488	9.953	5.000	31.440	6.348	18.672	0.000	0.000	6.421	31.440
2048/49	16.982	10.251	5.000	32.234	6.396	19.198	0.000	0.000	6.639	32.234
2049/50	17.492	10.559	5.000	33.051	6.446	19.739	0.000	0.000	6.865	33.051
2050/51	18.016	0.000	5.000	23.016	6.498	13.518	0.000	0.000	3.000	23.016
2051/52	18.557	0.000	5.000	23.557	6.551	14.006	0.000	0.000	3.000	23.557
2052/53	19.114	0.000	5.000	24.114	6.606	14.507	0.000	0.000	3.000	24.114
2053/54	19.687	0.000	5.000	24.687	6.663	15.024	0.000	0.000	3.000	24.687
2054/55	20.278	0.000	5.000	25.278	6.721	15.556	0.000	0.000	3.000	25.278
Total	423.870	194.803	156.954	775.626	203.509	444.535	8.372	4.500	114.710	775.626

Appendix C – 5-Year HRA Revenue Budget

[illegible]

Appendix D – 5-Year Capital Programme and Funding

EXPENDITURE	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Forecas	Budget	Budget	Budget	Budget	Budget
	£m	£m	£m	£m	£m	£m
Commissioning of Repairs Maintenance and Investment Contra	0.079	0.150	0.150	0.000	0.000	0.000
Stock Condition Survey	0.000	0.750	0.250	0.000	0.000	0.000
Boiler Replacement and heating	0.680	0.752	0.818	0.813	0.815	0.770
Kitchen & Bathroom Replacement	1.000	2.618	3.241	3.135	3.199	3.279
Electrical Systems	0.475	0.382	0.412	0.446	0.409	0.430
External rendering, repairs and redecoration of housing block	1.006	1.141	1.160	1.127	1.130	1.187
Garage & Environmental Improvements	0.500	0.500	0.500	0.500	0.500	0.525
Capitalised Repairs	0.105	0.108	0.110	0.113	0.122	0.128
FRA & Asbestos Removal Works	2.000	1.256	0.750	0.400	0.400	0.400
Major Aids & Adaptations	0.315	0.323	0.331	0.339	0.366	0.384
Windows and Door Replacement	0.673	0.741	1.436	1.367	1.066	0.950
Roof Replacement	2.425	2.475	3.041	3.258	2.625	2.622
Structural	0.108	0.178	0.213	0.168	0.143	0.150
Security & Controlled Entry Modernisation	0.415	0.323	0.230	0.105	0.040	0.040
Capitalised voids	0.063	0.065	0.066	0.068	0.073	0.077
Housing Management System (NEC) Upgrade	0.000	0.794	0.796	0.340	0.000	0.000
De-Carbonisation Works	6.173	6.273	6.373	6.473	6.580	6.580
Total - Repairs & Maintenance (RMI)	16.018	18.829	19.877	18.652	17.468	17.520
Tower and Ashbourne	0.256	0.000	0.000	0.000	0.000	0.000
Garrick House	2.000	1.200	0.000	0.000	0.000	0.000
Affordable Homes Acquisitions	6.498	5.000	5.000	5.000	5.000	5.000
Rigby Lodge	2.000	0.000	0.000	0.000	0.000	0.000
Total - Affordable Homes	10.753	6.200	5.000	5.000	5.000	5.000
TOTAL HRA CAPITAL PROGRAMME	26.771	25.029	24.877	23.652	22.468	22.520
FINANCING						
Major Repairs Reserve (MRR)	8.755	11.975	14.946	12.986	12.775	13.800
Capital Receipts Reserve (CRR)	13.726	8.763	5.641	10.666	9.693	6.720
Grant	2.791	2.791	2.791	0.000	0.000	0.000
Section 106	1.500	1.500	1.500	0.000	0.000	0.000
Revenue Contributions	0.000	0.000	0.000	0.000	0.000	2.000
Total Financing	26.771	25.029	24.877	23.652	22.468	22.520

Appendix E – 5-Year HRA Draft Reserves & Balances

General Reserves

Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m	£m
Opening Balance	(18.596)	(22.536)	(24.589)	(26.190)	(28.323)	(31.695)
Surplus / (deficit) for the year	(3.940)	(2.053)	(1.601)	(2.133)	(3.372)	(3.170)
Closing Balance	(22.536)	(24.589)	(26.190)	(28.323)	(31.695)	(34.864)

The estimated opening balance on the HRA general reserve at the start of the 2025/26 financial year was £18.596m. This is expected to increase to £34.864m by the end of the five year period. HRA's minimum working balance remains at £4m to safeguard the Council against the risk and uncertainty in the current financial and operational environment for housing. Sensitivity analysis has been undertaken to assess the adequacy of the level of reserve and along with all Council balances. The estimated HRA general reserves are subject to audit.

Major Repairs Reserve (MRR)

Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m	£m
Opening Balance	(11.302)	(12.626)	(11.130)	(6.887)	(4.907)	(3.448)
Annual depreciation	(10.079)	(10.480)	(10.703)	(11.005)	(11.316)	(11.635)
Capital expenditure to be financed	8.755	11.975	14.946	12.986	12.775	13.800
Closing Balance	(12.626)	(11.130)	(6.887)	(4.907)	(3.448)	(1.284)

The estimated opening balance on the MRR at the start of the 2025/26 financial year was £11.302m and it is expected to reduce to £1.284m by the end of the five year period. Annual depreciation charged to the Revenue account is transferred to the MRR to fund mainly improvements to the existing stock. The estimated MRR balances are subject to audit.

Capital Receipts Reserve (CRR)

Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m	£m
Opening Balance	(30.911)	(28.746)	(37.480)	(39.182)	(36.043)	(34.065)
In year Receipts	(11.560)	(17.497)	(7.343)	(7.526)	(7.715)	(7.909)
Capital expenditure to be financed	13.726	8.763	5.641	10.666	9.693	6.720
Closing Balance	(28.746)	(37.480)	(39.182)	(36.043)	(34.065)	(35.254)

The estimated opening balance on the Capital receipts reserve at the start of the 2025/26 financial year was £30.911m, of which RTB is £12m and other receipts £19m, and it is expected to increase to £35.254m by the end of the five year period. This reflects accumulated right to buy (RTB) receipts retained for the delivery of new affordable housing and accumulated receipts from the sale of other HRA non dwelling assets. The in year receipts assume the retention of additional RTB sales receipts plus receipts from the sale of non-dwelling assets subject to the "No detriment" principles. Unused RTB receipts after five years are repayable to government. The reserves are being applied to support the acquisition and development of new affordable housing. The estimated CRR balances are subject to audit.