

HRA 2025/26 Outturn – Summary Finance report

Council Housing and Development Advisory Board

This summary report provides a budget monitoring update at Year End for the HRA for both Revenue and Capital.

1. REVENUE - (APPENDIX 1)

There was a surplus of £2,792,627 compared with the budgeted deficit of £423,070. This will be transferred to working balances bringing the total balance to £4,173,015 after the balance to be retained of £3,525,000.

Key headlines (see section 10.3 of main report for full details):

- Resident Involvement underspent by £57k
- Management overhead costs were £134k underspent
- Edwards Court was £208k underspent
- Tenancy Services were £235k underspent
- Rents were £1,120k higher than budgeted
- Sundry lands maintenance was £42k underspent
- Repairs & Maintenance was £1,114k underspent, however a significant proportion of this is requested to be carried forward to 2026/27
- Capital charges were £30k overspent
- Housing assets were £133k underspent
- Interest was £202k below budget due to delays in external borrowing.

2. SUPPLEMENTARY BUDGETS

There are supplementary budget requests totalling £922k being submitted to Council for approval to be added to the 2026/27 budget which were underspent in 2025/26. £13k of this is for the building management system at Edwards Court, and the remainder are to meet demands on the Repairs and Maintenance budgets.

There are further requests totalling £400k to be added to the medium-term financial plan to meet statutory requirements for domestic electrical testing and mechanical heating maintenance. A new budget of £70k each year is required for the servicing and maintenance of solar panels.

3. FINANCIAL POSITION AND MEDIUM-TERM FINANCIAL PLAN (MTFP) - (APPENDIX 2)

Total available resources at the end of medium term (2029/30) is forecast at £7,630k after deducting the £3.525 million balance resolved to be retained (see section 10.7 of the main report for full details). This is an improvement since Quarter 3 when the forecast balance was £5,893k over the contingency.

4. CAPITAL PROGRAMME - (APPENDIX 3)

Total capital spend for 2025/26 was £9,021,699 against an approved budget of £16,495,074 (as re-profiled at Quarter 3 stage) which is 55% spent.

Key headlines (see sections 10.9 to 10.14 of the main report and Appendix 3 for details):

- Net underspends in year totalling £763,161 (see section 10.12 for more detail of variances)
- Re-profiling of £6,710k to 2026/27 including;
 - £675k on development and acquisitions,
 - £3,831k on Planned Works capital works including retrofit, re-roofing and window and door replacements
 - £1,228k on door entry systems, central heating and fire capital schemes
 - £976k for Laings refurbishments and Rennes House demolition.
- Further funding requests;
 - £175k for Laings refurbishments
 - £770k for Rennes demolition for asbestos removal