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**PROCEDURE TO BE FOLLOWED AT THE  
MEETING OF RENFREWSHIRE COUNCIL  
TO BE HELD ON 26 FEBRUARY 2026  
DURING CONSIDERATION OF ITEM 5 CONCERNING  
THE HOUSING REVENUE ACCOUNT BUDGET, RENT LEVELS  
2026/2027 to 2027/28 AND HOUSING CAPITAL INVESTMENT PLAN  
2026/2027-2030/2031**

The purpose of this note is to give Members advance notice of the procedure which Provost Cameron has agreed should be followed at the Meeting of the Council on 26 February 2026 viz:

1. The Convener of the Communities and Housing Policy Board (the Convener) will make her budget statement for financial year 2026/2027 and move as appropriate. She will then speak to the principal points of her proposals. The motion will require to be seconded.
2. For the purposes of the subsequent discussion and voting, the Convener's proposals will be taken as one motion.
3. An opportunity will then be given to the Leaders of the opposition groups and any other Members to move, and to have duly seconded, comprehensive amendments to the motion (i.e. taking together budget proposals, the rent levels and the capital investment plans).
4. The motion and any amendments will require to be produced in writing and a copy given to each of the Members present prior to being spoken to at the meeting. Provost Cameron may then adjourn the meeting for 20 minutes to allow Members to consider the terms of the motion by the administration and any amendments by the opposition groups or other Members. Corporate Meeting Rooms have been arranged for the adjournment as follows: Administration – Corporate Meeting Room 2, Labour - Corporate Meeting Room 1, Conservative – Corporate Meeting Room 3, Independents – Communications Room, Reform - Marriage Suite.
5. There shall be no formal restriction upon the length of time given to the Convener and the Leaders of the opposition groups and other Members to move their respective budget statements and speak in support of the principal points of their proposals. However, Provost Cameron shall have the power to require any person speaking to limit their speech in order to facilitate the conduct of the meeting.
6. Provost Cameron will then invite other Members to take part in the debate.
7. The debate will conclude with Provost Cameron giving the Convener an opportunity to reply.
8. A vote or votes will then be taken in accordance with the provisions of standing orders.





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**To: Council**

**On: 26 February 2026**

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**Report by: Director of Environment, Housing & Infrastructure and Director of Finance & Resources**

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**Heading: Housing Revenue Account Budget & Rent Levels 2026/27 to 2027/28 and Housing Capital Investment Plan 2026/27 to 2030/31**

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## **1. Summary**

- 1.1 This report details the proposed Housing Revenue Account (HRA) budget for financial year 2026/27.
- 1.2 The report highlights the impact of economic pressures on the HRA and sets out any operational pressures that have emerged, and the adjustments to budgets and resources required to deal with these pressures.
- 1.3 At its meeting on 27 February 2025, the Council unanimously agreed a three-year rent strategy that included a 7.5% rent increase in 2026/27 with a further 7.0% increase in 2027/28. This report reflects the impact of this being an average weekly rent increase in 2026/27 of £7.81.
- 1.4 The report also provides Members with results from the survey carried out this year with tenants, regarding service priorities.
- 1.5 The budget includes the additional recurring investment which doubled the capacity of the Neighbourhood improvements teams to four teams – one for every Local Area Housing Team - making environmental improvements to the grounds and areas around our homes.

- 1.6 The budget also includes £0.250m for Year 2 of the £0.600m YouDecide Tenant Fund, under which tenants determine how the funding is allocated.
  - 1.7 The report also details the Housing Capital Investment Plan for 2026/27 to 2030/31, which will deliver a total investment of £337m in the Council's housing stock over the 5-year period. It is anticipated that this level of investment will attract £51m of government grant for new builds and this results in a net capital programme amounting to £286m.
  - 1.8 In setting the 2026/27 HRA budget, Members may wish to consider the medium and longer-term financial context for the HRA and note the planning assumption of CPI+1% rent increases in the financial years beyond the three-year rent strategy period 2025/26 to 2027/28 as well as considering the ongoing risks and challenges outlined in this report.
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## **2. Recommendations**

It is recommended that the Council:

- 2.1 notes the rent increase of 7.5% for all house rents and lock-ups for 2026/27, being the second year of a three-year rent strategy approved by Council on 27 February 2025, and which equates to an average weekly rent increase of £7.81;
  - 2.2 notes the findings of the recent Tenant Survey exercise;
  - 2.3 approves the Housing Revenue Account Budget for financial year 2026/27, as detailed in Appendix 2;
  - 2.4 approves the Housing Capital Investment Plan 2026/27 to 2030/31, as detailed in Appendix 3 of the report;
  - 2.5 approves the increased services charges and temporary accommodation charges for 2026/27, as detailed in section 4.11 and 4.13. within the report; and
  - 2.6 notes the continuing requirement to achieve best value in the commissioning of works by having an optimum workflow over the 5 years of the investment plan and authorises the Director of Environment, Housing and Infrastructure to liaise with the Director of Finance and Resources to re-profile the capital programme and available resources, as necessary, in line with the appropriate limits established under the Council's capital prudential framework arrangements.
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### **3. Background and Medium-Term Financial Context**

- 3.1. The HRA operates a rolling 30-year Business Plan model, which is the standard operating practice amongst local authorities and Registered Social Landlords. The 30-year basis of the model reflects the need for a long-term planned approach to the replacement of major items such as rewiring, central heating, etc., aligned to the lifecycles of these elements.
- 3.2. The model ensures that planned rental income from the estimated 11,515 average number of lettable properties in 2026/27 is sufficient over the term of the plan to cover debt and servicing capital expenditure, including significant investment and regeneration initiatives, together with funding the annual costs of maintaining the housing stock and all HRA annual operating costs including staffing.
- 3.3. The Business Plan model is reviewed to take account of the adjusted base budget position from the previous year and to update any key assumptions, economic factors and known or emerging risks. This review process allows consideration to be given to the setting of rent levels for the forthcoming and future financial years through effective scenario planning.
- 3.4. The 30-year Business Plan model currently assumes 3.8% CPI (Consumer Price Index model) for the 2026/27 financial year, as in previous years, this reflected the rate published in September of the current financial year. The Business Plan assumes that CPI is on a decreasing trend until reaching the Bank of England's 2.0% target by 2027/28.
- 3.5. Different levels of inflation have been applied to the main cost drivers from 2026/27 to reflect the expected impact more accurately on Renfrewshire's cost base. This is reviewed annually across the cost drivers to reflect the actual levels of inflation impacting on the base costs. Over the longer term, cost increases revert to the assumed CPI forecasts noted in 3.4.
- 3.6. Until last year, although inflation on costs within the HRA has risen considerably, the HRA maintained lower than inflationary rent increases during previous years to minimise the in-year impact further on tenants.
- 3.7. The three-year rent strategy, approved by Council on 27 February 2025, provides tenants with a longer-term perspective on planned rent increases, moving away from the previous annual proposals. There is a risk that inflation could exceed the projected levels over the course of the multi-year strategy and while some contingency is included within the forecasts, the level of inflation will need to be closely monitored to determine if corrective action is required next year.

- 3.8. Members will recall that following a strategic review of the HRA it was determined that there was capacity in the HRA to fund an additional £100m investment and regeneration programme over the next decade. Council approved the proposals to take forward this first phase of investment, focusing on eight areas and around 1,100 council properties. Members will also recall that the plan also includes over £30m of investment required in high-rise accommodation. The cost of repayment on borrowing to deliver this ambition increased because of the economic climate creating higher interest rates. To ensure sufficient funding in the long term, an assumption of 1% above CPI as an uplift to rents is assumed for every year beyond 2025/26 to 2027/28 across the 30-year plan.
- 3.9. If a tenant receives benefits covering housing costs, they are likely to be protected from any increase. In Renfrewshire, around 76% of tenants receive some form of housing support. A rent rise would therefore result in some tenants receiving higher Housing Benefit, while others who do not currently claim may become entitled. Unless their personal circumstances change, most tenants will continue paying the same contribution towards their rent, with Housing Benefit covering the remainder. The tenancy support fund, established in 2023/24 to provide additional help for tenants in financial hardship, remains in place within the current budget proposals.
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#### **4. HRA Budget Planning Assumptions for 2026/27**

- 4.1. The rental income generated by the HRA must support service delivery, the costs of appropriately maintaining the housing stock, and the loan debt related costs to service the capital investment required in HRA assets.
- 4.2. The proposed budget adjustments for 2026/27 are shown across the high level HRA categories in summary form on Appendix 1 and analysed into the Policy Board revenue monitoring format in Appendix 2. To supplement the information contained in these appendices, additional contextual commentary is provided below, and this can be read in conjunction with Appendices 1 and 2.

#### **Revenue Expenditure**

- 4.3. Supervision and Management includes the operational inflation and additional costs covering areas such as pay increases for housing staff, energy costs, and insurance costs. Budget is also required for council tax, and reflecting void levels this reduces in 2026/27 due to improved void targets. This line also includes the continuation of the increased Neighbourhood improvement teams from two to four and a further £0.250m of the YouDecide tenant fund as per the 3-year budget proposals. The employer pension contribution budget of £1.029m has been reinstated, reflecting the rate increasing to 17.5% from 1

April 2026. The overall combined impact of these pressures and additional investment is an increased net budget requirement of £2.963m for 2026/27.

- 4.4. Housing Repairs and Maintenance remains an area of significant budget pressure due to cost inflation, legislative change, an ageing asset base and sustained demand for services, alongside rising material, fuel, and labour costs. The budget has increased overall by £1.349m to take account of the very real and significant challenges around increasing costs. This included the impact of the Building Services employer pension budget of £0.551m being reinstated in 2026/27.
- 4.5. An additional £0.082m has been added to the budget to mitigate potential inflationary pressures associated with Grounds and Estates Maintenance.
- 4.6. The (£0.084m) net reduction in void rent loss reflects updated projections informed by revised operational targets and projected stock levels, and assumes a targeted improvement in void performance from the 2025/26 budget period.
- 4.7. The bad debt provision has been increased by £0.085m, reflecting the increased income collection levels and to reflect the associated risk in relation to increasing levels of bad debt. This budget continues to include funding to provide support to tenants in financial hardship, as approved in recent years. In terms of bad debt levels, this reflects an improved operational target for the 2026/27 budget.
- 4.8. Net financing costs have reduced by (£3.031m), reflecting lower borrowing than planned, while the contribution to the Capital Programme has increased by £4.066m. The resulting net increase of £1.035m is managed through reserve movements and is reflected within the overall rent increase assumed for 2026/27. These movements fluctuate year-on-year in line with investment requirements and long-term financing projections.

## **Revenue Income**

- 4.9. The gross increase in Rental income (£4.014m), reflects the approved 7.5% increase on both house and lock-up rents. The stock movement assumptions for both houses and lock-ups are based on regeneration, demolition, and investment plans, as reflected in income assumptions.
- 4.10. In relation to lock-up rents, the average charge per lock-up is currently £24.89 per month and the 7.5% increase represents an average of £1.87 increase per month. A review of the existing lock-up portfolio is underway with a report on the options appraisal and consultation will be presented to a future Communities and Housing Policy Board.

- 4.11. Other Income is projected to increase by (£1.711m) mainly due to adjustments for the recovery of staffing-related costs. These costs are managed within the revenue expenditure budget but recovered through income. In last year's Budget Proposals, we highlighted the need to review recharge models for service charge recovery. Rising costs have reinforced the importance of ensuring that charges are fairly allocated to the direct users of these services. At present, operating costs in most areas continue to exceed income recovery levels. It is therefore proposed that charges be increased this financial year in line with the rent uplift, as part of a phased transition back to full cost recovery across future budgets, in the following areas.

Service Charge	Owners	Tenants	2025/26	2026/27
Sheltered Heating	0	191	£43.82pm	£47.11pm
Sheltered Laundrette	0	103	£3.52pm	£3.78pm
Laundrettes Council	0	1,704	£3.82pm	£4.11pm
Laundrettes Private	843	0	£19.76pm	£21.24pm

- 4.12. These proposals include a planned contribution to reserves of £0.480m for 2026/27. At the end of the financial year, the contingency held within the HRA is forecast to be £3.654m. This reserve is intended to meet future and unforeseen cost pressures and is considered a prudent level of provision. The ICT system replacement reserve is held separately and will be partially utilised during the year as the project progresses through phase 1 implementation and into phase 2. Drawdowns from this reserve will be reported to the Communities and Housing Policy Board as required.

### Temporary Accommodation Properties

- 4.13. It is recommended that an increase of 7.5% is also applied to temporary accommodation charges. This adjustment has been carefully considered to reflect inflationary pressures while continuing to align with Housing Benefit support for eligible tenants. In line with Renfrewshire Council's Temporary Accommodation Charging Policy, the homeless service charge is reviewed annually as part of the Council's budget-setting process, with the aim of ensuring that income generated meets the full cost of service provision. By applying this increase, the Council can maintain its commitment to affordability, uphold its statutory duty to provide safe, suitable accommodation, and ensure the financial sustainability of the service without creating undue hardship for those in need.

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## 5. Tenant Consultation for 2025/26 – 2027/28 Rent Increase

- 5.1. Renfrewshire Council has a statutory duty to consult with tenants prior to implementing any rent increase. To inform the rent-setting approach for the

period 2025–2028, the consultation focussed on the multi-year rent strategy which was subsequently approved at Council last year.

- 5.2. Although there was no obligation to carry out a full survey this year, given the agreed three-year rent strategy, a shorter survey was conducted to understand tenant views on service priorities. The results of this survey are summarised in the table below.

Priority	First Choice	Second Choice
Carrying out repairs and maintenance to your home	42.34%	26.61%
Spending money on home improvements like bathrooms, kitchens, and roofs	21.77%	27.02%
Making more houses available by re-letting properties quickly when they become vacant	11.29%	15.32%
Regenerating housing areas by demolishing older properties, building new ones, and improving existing homes	9.27%	6.85%
Focusing on energy efficiency measures like wall insulation and heating systems to reduce energy bills and future proof homes	6.85%	11.29%
Building new council houses to provide affordable, modern, warm, and welcoming homes	6.05%	9.27%
Doing environmental improvements like clearing overgrown bushes and rubbish in the grounds and open spaces around council housing	2.42%	3.63%

- 5.3. The survey shows that ‘Carrying our repairs and maintenance to your home’ is the main priority for council tenants, with improvements the second priority, and re-letting properties third. The survey results are useful for the service to deliver these priorities. The Service will gather more detailed information later this year when the Tenant Satisfaction Survey is commissioned.
- 5.4. The approved rent increase of 7.5% for 2026/27 will enable the Council to maintain the high level of planned investment across the 30-year HRA Business Plan. It will support continued focus over the next five years on improving energy efficiency, progressing the housing regeneration programme, and sustaining the additional Neighbourhood Improvement Teams. It will also fund Year 2 of the YouDecide Tenant Fund, as outlined within the option approved by Council last year.

## 6. Housing Capital Investment Plan – 2026/27 to 2030/31

### 6.1 Overview

- 6.1.1 The proposed Housing Capital Investment Plan for the 5-year period from 2026/27 to 2030/31 is attached at Appendix 3. The gross value over the 5-year period in the Council’s housing stock is £337.338m. It is anticipated that

this level of investment will attract £51.247m of government grant for new builds, etc., and this results in a net capital programme to be funded of £286.091m. The programme includes allowances for new build homes, related Scottish Government grants, regeneration and renewal, and the planned investment programmes required to ensure council house stock is maintained at the appropriate standards.

6.1.2 The planned net capital investment for each year is as follows:

Financial Year	Gross £m	Income £m	Net £m
2026/27	40.808	(9.702)	31.106
2027/28	55.131	(2.656)	52.475
2028/29	73.804	(12.099)	61.705
2029/30	89.921	(12.270)	77.651
2030/31	77.674	(14.520)	63.154
<b>5 Year Total</b>	<b>337.338</b>	<b>(51.247)</b>	<b>286.091</b>

The plan will be reviewed on an annual basis, incorporating an ongoing assessment of risk.

6.1.3 Authority is delegated to the Director of Environment, Housing, and Infrastructure in consultation with the Director of Finance and Resources, to flexibly manage the capital investment programme as necessary to ensure optimum use of resources within the approved limits of prudential borrowing. It is proposed that this delegation remains in place over the life of the new 5-year plan detailed in Appendix 3.

6.1.4 The table below sets out the proposed composition of the plan for 2026/27 and how it will be funded.

Financial Year 2026/27	Expenditure £m	Income £m	Net £m
Planned Investment Programmes	22.923	0.000	22.923
Regeneration and New Build, etc.	17.885	0.000	17.885
Government New Build Grant	0.000	(9.702)	(9.702)
Other Income	0.000	(0.575)	(0.575)
CFCR	0.000	(9.000)	(9.000)
Prudential Borrowing	0.000	(21.531)	(21.531)
<b>Total</b>	<b>40.808</b>	<b>(40.808)</b>	<b>0.000</b>

## 6.2 Planned Investment Programmes

- 6.2.1 Since achieving compliance with the Scottish Housing Quality Standard (SHQS) in April 2015, there has been an ongoing requirement to ensure that housing stock continues to be maintained at least at this standard.
- 6.2.2 The capital programme for 2026/27 to 2030/31 as per the attached Appendix 3 will deliver a total of £203.908m in planned investment programmes in existing housing assets, £29.843m in New Supply of housing stock outwith the regeneration areas and a further £103.587m included as part of the Regeneration and Renewal Plan including New Supply within regeneration areas. The capital programme for the same period will attract (£51.427m) of income from government grants.
- 6.2.3 The Council is required to ensure that the HRA has capacity to deliver on regulatory requirements and standards, including ensuring that properties meet requirements such as SHQS and EESSH. In March 2025, 87.68% of Council housing stock was compliant with the EESSH1 target (after applying allowable exemptions).
- 6.2.4 The Scottish Government had introduced a higher EESSH2 standard to be met by 2032; however, this has been suspended, and the review of 2023 introduced the Social Housing Net Zero Standard (SHNZS). The SHNZS proposes the replacement of EPC targets with a minimum heat demand target for homes to achieve and the replacement of heating systems with clean heating alternatives. The standard aligns with net zero requirements and fuel poverty targets. The Scottish Government has announced the SHNZS will be part of the Heat in Buildings Bill, which will be introduced after the Scottish Parliament elections in May 2026. This standard will impact on the housing asset management strategy; however current retrofit projects will be in line with expected standards.
- 6.2.5 The main categories of planned investment programmes are:
- External improvements, which include renewal of roofs, rainwater goods, and external fabric;
  - Internal improvements, which include replacing or upgrading kitchens, bathrooms, electrical wiring, and heating systems;
  - Multi storey flat and sheltered housing improvements;
  - Other investment including disabled adaptations, asbestos removal and rot works.
- 6.2.6 The main elements of the planned investment programme for 2026/27 will include the following:

<b>2026/27 Planned Improvements</b>	<b>Number of Properties</b>
External fabric upgrading (existing stock)	200
External fabric upgrading (regeneration programme)	160
Window and door improvement programme	500
Kitchen, bathroom, and rewiring replacement	600
Heating renewals	750

### **6.3 New Build and Regeneration**

- 6.3.1 The Housing Led Regeneration and Renewal Plan covering eight communities across Renfrewshire was approved by the Communities, Housing and Planning Policy Board on 18 January 2022. The Capital Investment Plan outlines the anticipated timetable for this significant regeneration programme for the next five years.
- 6.3.2 As part of the Housing-Led Regeneration and Renewal Programme, construction of seventy new build Council homes for rent in the Howwood Road Area commenced on 3 November 2025.
- 6.3.3 Over and above the Housing-Led Regeneration and Renewal Programme construction of sixty-five new build Council homes in Gallowhill commenced on 4 August 2025.
- 6.3.4 The Strategic Housing Investment Plan 2026-31 approved by the Communities and Housing Policy Board on 28 October 2025, includes provision for Scottish Government grant funding for Council new build projects within four of the eight Housing-Led Regeneration areas and two areas outwith, namely, Gallowhill and Foxbar.
- 6.3.5 The new build grant benchmark rate for local authorities is a 3-person equivalent benchmark of £87,763 per unit, adjusted according to the size of accommodation being delivered. The new build specification has been updated to include the quality measures required to maximise grant claims where possible (silver level as a minimum, balconies to flatted developments, space for home working / study, digital enablement, fire suppression and zero emission heating). These additional measures will incur higher capital costs but will also attract additional grant funding over and above the 3-person equivalent benchmark rate to assist the ongoing delivery of energy efficient affordable new build Council homes for tenants.
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## Implications of the Report

### 1. Financial

The report and appendices detail the proposed HRA budget and average weekly rent increase for 2026/27 and the Housing Capital Investment Plan for 2026/27 to 2030/31.

### 2. HR & Organisational Development

While staffing budgets form a significant proportion of the Council's revenue budgets, there are no direct staffing implications arising from the recommendations in this report.

### 3. Community/Council Planning

<b>Community Plan</b>	
Our Renfrewshire is thriving.	Enabling communities to have their voices heard and influence the places and services that affect them by consulting tenants on the proposed changes to rents for 2025/26 to 2027/28.  The Council's revenue and capital spend ensures that its facilities are fit for purpose and safe for the community, to maximise accessibility.
Our Renfrewshire is well.	
Our Renfrewshire is fair.	
Our Renfrewshire is safe.	
<b>Council Plan</b>	
Reshaping our place, our economy, and our future	Consulting tenants on the proposed changes to rents for 2025/26 to 2027/28 including creating a YouDecide Tenant Fund.  Improving and maintaining housing conditions for the benefit of tenants and providing assistance to tenants to mitigate the impacts of any Welfare Reform changes.  Continuing housing regeneration programmes across Renfrewshire to create sustainable communities.  Accessing supplementary external funding where available to support the achievement of the minimum energy rating under the Energy Efficiency Standard for Social Housing.
Building strong, safe, and resilient communities	
Tackling inequality, ensuring opportunities for all	
Creating a sustainable Renfrewshire for all to enjoy	

4. **Legal**

The Council is required to set an HRA budget for 2026/27 and agree any rent changes for notification to tenants. The Council must give tenants at least 28 days' notification in advance of any changes.

5. **Property/Assets**

The report proposes the Housing Capital Investment Plan for 2026/27 to 2030/31. The capital expenditure noted in this report will result in lifecycle maintenance improvements to existing properties and replacement of ICT assets and infrastructure.

6. **Information Technology**

ICT assets and revenue costs are included within these budgets, and the costs associated with the replacement of the Housing Management system including ongoing revenue and capital budget impacts.

7. **Equality & Human Rights**

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety**

The Capital Plan outlines investment in Council assets and facilities to ensure they remain safe and accessible in line with statutory obligations.

9. **Procurement**

The proposed Capital Investment Plan for 2026/27 to 2030/31 will include procurement of contracts, however there are no direct implications arising from the recommendations in this report.

10. **Risk**

The HRA Business Plan remains subject to a number of risks and economic factors such as interest rates and inflation. While these risks are reviewed as part of the HRA business planning process, a high level of uncertainty

remains relating to external economic factors. This risk increases with the setting out of a 3-year rent strategy and will remain under review annually.

**11. Privacy Impact**

There are no direct implications arising from the recommendations in this report.

**12. Cosla Policy Position**

Not applicable.

**13. Children's Rights**

There are no direct implications arising from the recommendations in this report.

**14. Climate Risk**

Investment in Council assets improves energy efficiency, reducing the Council's carbon footprint and helping it achieve its Net Zero by 2030 target.

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**List of Background Papers**

Housing Revenue Account Budget & Rent Levels 2025/26 and Housing Capital Investment Plan 2025/26 to 2029/30, 27 February 2025.

Temporary Accommodation Charging Policy, Communities and Housing Policy Board, 14 January 2025.

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**Author:** *Gordon McNeil, Director of Environment, Housing, and Infrastructure*

**Author:** *John Kilpatrick, Finance Business Partner*



**Housing Revenue Budget – 2025/26 to 2026/27**

Appendix 1

	<b>Revised Annual Budget 2025/26 £m</b>	<b>Proposed Annual Budget 2026/27 £m</b>	<b>Movement £m</b>
<b><u>Expenditure</u></b>			
Supervision and Management	20.237	23.200	2.963
Housing Repairs and Maintenance	20.104	21.453	1.349
Grounds and Estates Maintenance	2.159	2.241	0.082
Void Rents	2.355	2.271	(0.084)
Bad Debt Provision	2.286	2.371	0.085
Financing Costs (Loan Charges)	13.271	10.240	(3.031)
Contribution to Capital Programme	4.934	9.000	4.066
<b>Total Expenditure</b>	<b>65.346</b>	<b>70.776</b>	<b>5.430</b>
<b><u>Income</u></b>			
Rental Income	(61.500)	(65.514)	(4.014)
Other Income	(4.031)	(5.742)	(1.711)
Use of B/F Reserves	0.185	0.480	0.295
<b>Total Income</b>	<b>(65.346)</b>	<b>(70.776)</b>	<b>(5.430)</b>
<b>Net</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

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Appendix 2

Housing Revenue Account - 2026/27 Budget				
Subjective Summary	Proposed Annual Budget 2025/26	Revised Annual Budget 2026/27	Budget Adjustments 2026/27	Explanation of Movement
Employees	12,179,000	14,911,000	2,732,000	Includes pay award estimate 2026/27 plus adjustments amounting to £0.376m; £0.100m transfer of funding for money advice posts; increase in funded posts of £1.190m offset by additional income; the reinstatement of employer pension contributions of £1.066m.
Premises Related	24,043,490	25,643,100	1,599,610	This includes an additional £0.764m for Repairs & Maintenance inflation as well as £0.585m for employer pension contributions restated in 2026/27 for Building Services; an additional £0.182m for Estate Management which includes £0.100m for Nets team disposal costs; £0.051m for fuel inflation; and net movements in other minor budgets of £0.018m.
Transport Related	54,380	56,430	2,050	Movement in budget to reflect inflation and current demand for fleet and mileage.
Supplies and Services	943,620	1,006,400	62,780	This reflects inflationary pressures and additional costs mainly on ICT, Communication and external services including legal costs.
Transfer Payments	6,733,600	6,696,390	(37,210)	The bad debt budget has been increased by £0.137m (net) from last year in line with the anticipated increase in rental income. An allocation of £0.060m has also been made to be utilised for the tenant support fund. A net decrease in the void rent loss budget of (£0.084m) reflects the revised void rent loss targets for 2025/26. A reduction of (£0.022m) is also made for Council Tax payments linked to the anticipated level of reduced voids. A further £0.100m has been added for year 2 of the YouDecide Tenant Fund bringing this years budget to £0.250m. Budget transfer realignments including (£0.100m) to employee costs for money advice; including (£0.100m) to estate management for NETS costs; with the remaining (£0.028m) reflecting realignments offset by the inflationary impact on these budgets.
Support Services	3,332,650	3,378,200	45,550	This reflects minor inflationary increases.
Depreciation and Impairment Losses	18,205,000	19,240,000	1,035,000	The net increase in the capital financing budget reflects the realignment of this budget to reflect the revised borrowing requirements associated with planned investment.
<b>GROSS EXPENDITURE</b>	<b>65,491,740</b>	<b>70,931,520</b>	<b>5,439,780</b>	
Income	(65,491,740)	(70,931,520)	(5,439,780)	The gross increase in income due to the rent increase budgeted is (£4.014m). The contribution to reserves has increased by £0.295m reflecting the revised rent strategy and reflects a transfer to reserves is forecast. A net movement in capital income reflecting staffing, pension adjustments and on cost of (£1.616m) reflects the recovery of costs for funded posts. An additional (£0.084m) reflects the revised support income received. The balance in the movement of (£0.021m) reflects the net minor movements in other income recoveries.
<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Housing Capital Investment Plan - 2026/27 - 2030/31**

Appendix 3

<b>Expenditure Category</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/30 £m</b>	<b>2030/31 £m</b>	<b>5 Year Totals £m</b>
Internal Investment	7,400	12,110	13,100	14,125	15,850	62,585
External Improvements	7,813	13,310	15,665	17,105	19,011	72,904
Multi Storey Flats Improvements	2,300	1,200	7,978	9,430	16,281	37,189
Sheltered Housing Improvements	200	200	610	450	150	1,610
Professional Fees	1,750	1,800	1,950	2,050	2,112	9,662
Others e.g. Adapts, Rotworks & Asbestos	3,460	4,290	3,690	3,948	4,570	19,958
Regeneration and Renewal Investment Programme	11,185	15,121	22,911	35,913	18,457	103,587
New Supply Programme Excluding Regeneration Projects	6,700	7,100	7,900	6,900	1,243	29,843
<b>Capital Expenditure Total</b>	<b>40,808</b>	<b>55,131</b>	<b>73,804</b>	<b>89,921</b>	<b>77,674</b>	<b>337,338</b>
Government Funding	(9,702)	(2,656)	(12,099)	(12,270)	(14,520)	(51,247)
<b>Net Housing Investment Expenditure</b>	<b>31,106</b>	<b>52,475</b>	<b>61,705</b>	<b>77,651</b>	<b>63,154</b>	<b>286,091</b>