

REPORT TITLE: HOUSING REVENUE ACCOUNT (HRA) BUSINESS PLAN AND BUDGET OPTIONS

23 NOVEMBER 2022

REPORT OF CABINET MEMBER: CLLR PAULA FERGUSON – CABINET MEMBER FOR HOUSING AND DEPUTY LEADER

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WARD(S): ALL

Further to discussion at Cabinet on the 15 November 2022, the committee are asked to note the following:

1. A clarification to the following paragraph. “13.8 The large increase in costs and in current PWLB interest rates will likely affect the potential viability of individual new build schemes when they are financially evaluated and members may want to consider the trade-off between delivering new Passive House plus developments and rent levels in order to deliver these schemes.

Clarification. This referred to the fact that the funding level of new unidentified schemes was based on this investment level, it did not mean to imply that the council had any agreed policy of future Passive House development.

2. An amendment to the following paragraph. “13.7 This has resulted in a significant increase in the investment requirement within the HRA 30-year Business Plan to deliver the same quantity of new homes as last year. The budgeted cost has increased from £536m to £719m within the plan, an overall increase of £182m or 34%. Table 12.6 over shows the forecast overall change in investment required and how this is to be funded. This shows that a significant part of the funding for this increased cost is coming from increased HRA borrowing, compared to last year there is an increase of 70% or £122m in the borrowing required to fund the programme.”

Amendment. The reference should be to table 13.8 not 12.6.

RECOMMENDATIONS:

That:

1. It is recommended that the committee comment on the proposals within the attached Cabinet Committee: Housing report, ref CAB3365.
2. It is noted that the committee will be presented with the detailed Housing Revenue Account report at its meeting on the 7th February 2023 prior to Full Council on the 23rd February 2023.