

# Public Document Pack

## ECONOMY AND HOUSING POLICY COMMITTEE

Monday, 23 February 2026

Attendance:

Councillors  
Batho (Chairperson)

Chamberlain  
Eve  
Morris

Murphy  
Gordon-Smith  
Bolton

Apologies for Absence:

Councillor White

Deputy Members:

Councillor Lee (as deputy for White)

Other members in attendance:

Councillors Brophy, Horrill and Reach

[Video recording of this meeting](#)

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1. **APOLOGIES AND DEPUTY MEMBERS**

Apologies for the meeting were noted as above. In addition, in order to widen discussion, the Chair had asked each political group for one deputy member to attend for agenda item 6.

2. **DECLARATIONS OF INTERESTS**

No declarations were made.

3. **CHAIRPERSON'S ANNOUNCEMENTS**

No announcements were made.

4. **MINUTES OF THE PREVIOUS MEETING HELD ON 25 NOVEMBER 2025**

RESOLVED:

That the minutes of the previous meeting held on the 25 November 2025 be approved and adopted.

5. **PUBLIC PARTICIPATION**

There were no comments or questions during public participation. The Chairperson noted, however, that two members of the TACT Board were present and had been invited to participate in the committee's deliberations on agenda item 6.

## 6. **HOUSING REVENUE ACCOUNT - FUTURE POLICY OPTIONS**

The Chairperson advised that it was proposed to deal with this agenda item in a more interactive format than for regular committee items. It was intended that this approach would generate a deeper debate and achieve a cross-party understanding and consensus of the key aspects of the HRA. He explained that following an introduction, the committee would adjourn to work in three separate groups to attempt to balance a HRA budget before reconvening to discuss their findings. The intention would be for each group to construct a balanced HRA budget, weighing competing priorities such as investing in existing stock, increasing new homes, and redeeming HRA debt.

Councillor Mark Reach, Cabinet Member for Good Homes, and Simon Hendey, Strategic Director, introduced the agenda item which included a presentation ([available here](#)) and included the following points:

1. The existing HRA plan supported the delivery of 1,000 new homes up to 2032, with retrofit investment funded through to 2030.
2. Groups were required to balance expenditure with projected income for each year, ensuring working balances were not reduced and that income assumptions reflected the national rent regime.
3. Groups could select their own spending mix to achieve a balanced HRA, noting that multiple valid solutions were possible.
4. Indicative projected income figures for 2032–2037 were provided.
5. Members were advised that whilst some expenditure areas (such as housing management and repairs & maintenance) could only be adjusted minimally, others (including depreciation and interest payments) were fixed.
6. The main area of flexibility related to choices between debt repayment and the delivery of new homes, supported by indicative net cost figures (£20k for social rent and £17.5k for affordable rent), with costs accumulating as new homes were added.
7. Examples of expenditure categories were outlined, covering repairs and maintenance (reactive repairs, damp and mould, HHSRS, voids, cyclical servicing, inspections, adaptations, communal areas) and housing management (tenancy management, ASB, lettings, rent collection, leasehold/RTB work, sheltered schemes, and tenant engagement), alongside indicative expenditure figures for 2032–2037.

The committee proceeded to ask questions regarding the provided presentation which included the following:

1. A question was asked regarding the current algorithm and drivers that had built the HRA plan up to 2032.
2. Further clarification was sought on whether the predicted interest rates were completely aligned with all other predictions in the general fund.
3. A question was asked whether the interest rates were universal across all council activity, including both the general fund and the HRA.
4. Clarification was requested on whether specific attention should be paid to repairs and maintenance, such as retrofit, to ensure best value for money.

5. A question was asked whether the model captured other elements or opportunities that might trigger a different financial route if more money became available.
6. Further clarification was sought on whether HRA viability could be improved by internal carbon pricing or carbon accounting.
7. Clarification was requested on whether the council could borrow more money to build more houses and the implications of doing so.

These points were responded to by Councillor Mark Reach, Cabinet Member for Good Homes, and Simon Hendey, Strategic Director, accordingly.

The committee adjourned and upon reconvening, Simon Hendey, Strategic Director provided feedback from each group as follows.

**Group One Proposals included the following:**

1. A 5% reduction in repairs, maintenance, and housing management costs.
2. That the savings from cost reductions be used to support more affordable housing development.
3. Suggested a review of the split between social rent and affordable rent.
4. That officers engage with customers to identify savings.
5. Recommended that the HRA work in partnership with other organisations for new developments.
6. Felt that rent convergence should be implemented across the period.

**Group Two Proposals included the following**

1. Remained neutral regarding the introduction of rent convergence.
2. Suggested increasing the property disposal programme, specifically for properties with high refurbishment and repair costs, and reinvesting that money into the affordable housing programme.
3. Looked at reducing repairs, maintenance, and housing management costs.
4. Questioned if carbon benefits from Passivhaus could be traded or used to gain additional benefits.

**Group Three Proposals included the following**

1. Set a challenge of achieving a 5% saving across costs over the year.
2. Proposed establishing a programme for new homes, specifically looking at the split between affordable and social rent.
3. Highlighted the importance of seeking additional funds to allow for the investigation of more policy options.

RESOLVED:

The Chairperson summarised as follows:

- 1) That the presentation and the outcomes of the interactive session be noted.
- 2) That the committee request officers and the Cabinet Member to consider the feedback provided by the groups, as detailed above.

- 3) That the committee also noted the following additional points, and invited officers and the Cabinet Member to consider whether further work in these areas would be appropriate:
  - (a) The feasibility and implications of seeking a 5% saving within the housing management and repairs and maintenance budgets, and whether any resulting insights could be reported back to the committee.
  - (b) The potential for alternative delivery models — for example, increased in-house resourcing for work currently delivered by third parties, enhanced partnership working, and improved utilisation of existing assets — and whether any emerging findings could be shared with the committee in due course.
  - (c) The importance of taking interest rate exposure into account when developing future plans, given the financial pressures associated with renewing loans.
- 4) That the committee and officers welcomed this style of engagement and suggested using a similar process for policy development in other appropriate areas in the future.

7. **TO NOTE THE MEETING DATES FOR THE COMMITTEES IN 2026/27**

RESOLVED:

That the dates of future meetings were noted.

The meeting commenced at 6.30 pm and concluded at 8.40 pm

Chairperson