

The Executive 10 February 2025

Decisions

## **Agenda item 5. HRA Budget-Setting Report (BSR) 2025/26**

The Executive **agreed the following:**

### **Review of Rents and Charges**

- a) Recommend that full Council approve that council dwellings rents for all social rented and social shared ownership properties be increased in line with government guidelines, with an increase of 2.7%, being inflation as measured by the Consumer Price Index (CPI) at September 2024 of 1.7%, plus 1%. Rent increases will take effect from 1 April 2025. This equates to an average rent increase of £3.37 per week.
- b) Recommend that full Council approve that affordable housing rents, inclusive of service charge, are also increased by 2.7% in line with the increase for social rents. This equates to an average rent increase of £5.06 per week.
- c) Recommend that full Council approve that rents for affordable shared ownership properties are increased by RPI as at September 2024, 2.7% plus 0.5%, as allowed for in the lease requirements for these properties.
- d) Recommend that full Council approve that garage and parking space charges for 2025/26 are increased by inflation at 2.7%, in line with dwelling rents, and approve changes in charges for parking permits, as set out at table 10 on page 28 of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.
- e) Recommend that full Council approve the proposed service charges for Housing Revenue Account services and facilities, as shown in Appendix D of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.
- f) Recommend that full Council approve the proposed leasehold administration charges for 2025/26, as detailed in Appendix D of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.
- g) Recommend that full Council approve that service charges continue to be recovered at full estimated cost, as detailed in Appendix D of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26, recognising that local authorities should endeavour to limit increases to inflation as measured by CPI at September 2024 (1.7%) plus 1%, wherever possible.

## **HRA Revenue**

- h) Recommend that full Council approve (with any amendments) the revenue savings, pressures and bids set out at Appendix F of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.
- i) Recommend that full Council approve the resulting Housing Revenue Account revenue budget as summarised at table 5 on page 20 of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.

## **Housing Capital**

- j) Recommend that full Council approve the capital bid set out at Appendix F of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.
- k) Recommend that full Council approve the updated Housing Capital Investment Plan as shown at Appendix E of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.
- l) Recommend that full Council approve the proposed approach to financing the Housing Capital Investment Plan as set out at table 11 on page 31 of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.

## **Treasury Management**

- m) Recommend that full Council approve the revised need to borrow over the life of the Business Plan, to sustain the proposed level of capital investment, which includes delivery of the 10 Year New Homes Programme.
- n) Recommend that full Council recognise that the constitution delegates Treasury Management to the Chief Finance Officer (Part 3, para 5.11), with Part 4F, C16 stating; 'All executive decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer, who is required to act in accordance with CIPFA's Code of Practice for Treasury Management in Local Authorities'.
- o) Recommend that full Council recognise that the decision to borrow significantly to build new homes impacts the council's ability to set-aside resource to redeem the HRA Self-Financing debt at the point at which the loan portfolio matures, resulting in a need to re-finance debt at the point of maturity.

## **General**

- p) Recommend that full Council approve inclusion of a capital budget for Disabled Facilities Grant expenditure and associated grant income from 2025/26 onwards, based upon 2024/25 net grant awarded, with delegation to the Chief Finance Officer to approve an in year increase or decrease in this budget in any year, in direct relation to any increase or decrease in the capital grant funding available for this purpose, as received from Cambridgeshire County Council through the Better Care Fund.
- q) Recommend that full Council approval of delegation to the Chief Finance Officer, as Section 151 Officer, to determine the most appropriate use of any additional Disabled Facilities Grant funding, for the wider benefit of the Shared Home Improvement Agency.
- r) Recommend that full Council approve delegation to the Director of Communities to review and amend the level of fees charged by the Shared Home Improvement Agency for Disabled Facilities Grants and repair assistance grants, in line with any recommendations made by the Shared Home Improvement Agency Board.
- s) Recommend that full Council approve delegation to the relevant Director, in consultation with the Chief Finance Officer, to draw down resource from the ear-marked revenue reserve or capital reserve for potential debt redemption or re-investment, for the purpose of open market land or property acquisition or new build housing development, should the need arise, in order to meet deadlines for the use of retained right to buy receipts or to facilitate future site redevelopment.
- t) Recommend that full Council approve delegation to the Chief Finance Officer to make any necessary technical amendments to detailed budgets in respect of recharges between the General Fund and the HRA.

## **Agenda item 6: General Fund Budget Setting Report 2025/26 to 2029/30**

### **[Agenda for The Executive on Monday, 10th February, 2025, 6.30 pm - Cambridge Council](#)**

\*Summary of changes can be found at the link above called Update Information BSR

The Executive **agreed the following**, noting the \*summary of changes to:

#### **General Fund Revenue Budgets:**

- a) Recommend to Council for approval the revenue pressures and bids shown in Appendix D(a) and the revenue savings and increased income shown in Appendix D(b).

b) Recommend that Council confirms delegation to the Chief Finance Officer of the calculation and determination of the council tax taxbase which is set out at Appendix A(a).

c) Recommend that Council approves the increase to the city council share of council tax for 2025/26 at 2.99%, and the updated council tax levels as set out on page 17 of the attached Budget Setting Report 2025/26.

*Note that the council's preceptors (Cambridgeshire Police & Crime Commissioner, Cambridgeshire & Peterborough Fire Authority, Cambridgeshire County Council and Cambridgeshire & Peterborough Combined Authority) will meet to confirm their precepts on or before 13 February 2025, following which the formal council tax calculation will be carried out for approval by Council.*

d) Recommend that Council delegates authority to the Chief Finance Officer to reallocate budgets between services in relation to corporate and/or departmental restructuring, and any reallocation of support service and central costs in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

#### **General Fund Capital Plan:**

e) Recommend that Council approves the capital proposals set out at Appendix E(a), the revised capital plan set out at Appendix E(c), and the revised capital funding approach set out on page 28 of the attached Budget Setting Report 2025/26.

f) Recommend that Council approves the Capital Strategy 2025/26 attached at Appendix H.

#### **General Fund Reserves:**

g) Recommend that Council note the impact of budget proposals upon General Fund unallocated reserves, as set out on page 34 of the attached Budget Setting Report 2025/26.

h) Recommend that Council note the key risks to the council's financial sustainability highlighted in the table on pages 30-31 of the attached Budget Setting Report 2025/26.

i) Recommend that Council approve in principle a contribution to the Civic Quarter Development Reserve equivalent to the net underspend against budget for the 2024/25 financial year (currently forecast at £4.0 million).

j) Recommend that Council approve the transfers to earmarked reserves totalling £6.602 million in 2025/26 as set out on pages 32-33 of the attached Budget Setting Report 2025/26.

**Section 25 Report:**

k) Recommend that Council note the Chief Finance Officer's Section 25 Report, covering the robustness of estimates and adequacy of reserves, included at section 7 of the attached Budget Setting Report 2025/26.

**Treasury Management Strategy:**

l) Recommend that Council approves the Treasury Management Strategy 2025/26 attached at Appendix G, including the prudential and treasury management indicators set out at Annexe C.

m) Recommends that Council approves a change to the maturity structure prudential indicator, such that all new borrowing will have a maturity of at least 5 years (rather than the previous 10 years), as explained at paragraph 3.8 of Appendix G.

**Other:**

n) Recommend that Full Council reconfirm that the incomes below will be disregarded (if above the £10 statutory disregard) when calculating entitlement to housing benefit and/or council tax reduction. These schemes are often called local or modified schemes:

- War disablement pension
- War widow, widower or surviving civil partner pension
- Armed Forces Independence Payment

*Note that the estimated cost to the council for payments of housing benefit made under the local scheme is £1,777.50 and for council tax reduction less than £50.*

o) Recommend that Council note the Equality Impact Assessment in Appendix F covering all General Fund budget proposals.

p) Recommend that Council note the schedule of proposed fees and charges for 2025/26 in Appendix I(i) and Confidential Appendix I(ii)

For more information, please contact Democratic Services:

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To view the meeting on the Council's YouTube channel follow the link below:

[The Executive - Monday, 10th February, 2025 6.30 pm](#)