

EXECUTIVE COMMITTEE

10 February 2025

9.06 – 9.16pm

Present: Councillors Davey (Chair), Gilderdale (Vice-Chair), Bird, Holloway, Smart and S. Smith

Other Councillors present: Councillor Bennett

Officers Present:

Chief Operating Officer, Corporate Group: Jane Wilson

Chief Financial Officer, Corporate Group: Jody Etherington

Committee Manager: Claire Tunncliffe

Meeting Producer: Boris Herzog

RECOMMENDATION TO COUNCIL

HRA Budget-Setting Report (BSR) 2025/26 Principles

Recommendations of the Executive, which met on 10 February 2025, are set out in the Housing Revenue Account (HRA) Budget Setting Report (BSR) 2025/26 which went to meeting of the Housing Scrutiny Committee held on 4 February 2025.

Unless otherwise specified, all references in the recommendations to appendices, pages and sections relating to the Budget-Setting Report can be found via the Council agenda page:

[Agenda for Council on Monday, 24th February, 2025, 6.00 pm - Cambridge Council](#)

The Chief Finance Officer reminded Members that the recommendations were now to full Council.

Councillor Bennett said the following:

- i. As the Executive Councillor for Housing had noted 60% of tenants received some sort of state benefit help but some were still struggling financially.
- ii. It was important to highlight the work of Council's Financial Inclusion Officers who could support tenants to maximise their social security benefits and assist with accessing other funds. Encouraged Councillors to make a referral if they knew of any individuals who required support.

- iii. The Council's Financial Inclusion Officers were extremely knowledgeable and did an outstanding job.

The Executive **resolved unanimously** to approve the recommendations on to Full Council.

Accordingly, Council is recommended to approve:

- a) 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) 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) 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) 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) 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) 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) 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) 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 (with any amendments).

i) 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) The capital bid set out at Appendix F of the attached Housing Revenue Account Business Plan Update and Budget Setting Report 2025/26.

k) 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) 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) 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) 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) 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) 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) 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) 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) 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) 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.