

Housing Revenue Account Budget - 2026/2027

APPENDIX 4

Expenditure	2024/25 Outturn £000	2025/26 Probable BCR10 £000	2025/26 Estimate £000	2026/27 Estimate £000	Movement in Estimate £000	Comments on Movement in Estimate >£50,000
Employee Costs	7,521	8,043	7,855	9,224	1,369	Pay Inflation. (3.5% pay award 26/27) Increase in employer pension contribution to 17.5% of pay in 26/27 compared to 6.5% of pay in 25/26.
Property Costs	1,348	1,523	1,264	1,497	233	Removal of the Income earned on the administration of the owners block insurance scheme following the October 25 Council decision to withdraw from the scheme.
Transport Costs	172	201	154	207	53	Additional hire and employee travel costs and inflationary pressures
Supplies, Services and Admin	395	467	418	471	53	Additional tenant participation cost and inflationary and other cost pressures across various supplies budgets.
Support Services	2,627	2,586	2,584	2,845	261	Increased costs relating to 26/27 pay award. Increase in employer pension contribution to 17.5% of pay in 26/27 compared to 6.5% of pay in 25/26.
Other Expenditure	612	371	420	392	(28)	
Repairs & Maintenance	10,444	12,434	12,173	12,688	515	Increase in repair and void estimate to account for increased HMT0 operating cost. (Increased costs relating to 26/27 pay award. Increase in employer pension contribution to 17.5% of pay in 26/27 compared to 6.5% of pay in 25/26)  Inflationary pressures across external repair and maintenance contracts.  Cost pressures partly offset by a targeted reduction in external contractor payments across repair and void service.
Open Space Maintenance	878	664	908	730	(178)	Open space maintenance estimate reduced following a review of the frequency and specification of works in line with tenant priorities.
Bad Debt Provision	1,176	1,269	1,119	1,269	150	Increased bad debt provision to reflect the planned rent increase and to provide for challenges recovering rechargeable repair debt.
Void Loss (Lost rents / Council tax payments )	1,304	1,125	831	1,108	277	Void numbers have reduced over the past few years. The 26/27 estimate assumes further improvement with the 26/27 estimate set slightly less the 25/26 forecast spend and nearly £200,000 less than the 24/25 outturn.
Loan Charges & Capital from Current Revenue	25,846	27,269	29,055	30,449	1,394	Increased loan charge provision due to increased HRA capital debt.
<b>Total Expenditure</b>	<b>52,323</b>	<b>55,952</b>	<b>56,781</b>	<b>60,880</b>	<b>4,099</b>	

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Income	2024/25 Outturn £000	2025/26 Probable BCR10 £000	2025/26 Estimate £000	2026/27 Estimate £000	Movement in Estimate £000	Comments on Movement in Estimate >£50,000
House Rents	(51,169)	(56,198)	(55,962)	(60,000)	(4,038)	6.7% rent increase plus additional income from new build properties and recent property buybacks.
Lockup Rents	(222)	(233)	(232)	(249)	(17)	
Factoring Charges	(445)	(460)	(478)	(485)	(7)	
Other rents	(126)	(138)	(137)	(143)	(6)	
Miscellaneous Income	(3)	(3)	(8)	(3)	5	
<b>Total Income</b>	<b>(51,965)</b>	<b>(57,032)</b>	<b>(56,817)</b>	<b>(60,880)</b>	<b>(4,063)</b>	
<b>Net Expenditure</b>	<b>358</b>	<b>(1,080)</b>	<b>(36)</b>	<b>-</b>	<b>36</b>	

HRA Reserves				
HRA Reserves Brought Forward	(969)	(611)	(611)	(1,691)
Transfer to / from HRA Reserves	358	(1,080)	(36)	-
HRA Reserves Carried Forward	(611)	(1,691)	(647)	(1,691)