

Classification: Open	Decision Type: Key
--------------------------------	------------------------------

Report to:	Overview & Scrutiny Committee Cabinet Council	Date: 10 February 2026 11 February 2026 25 February 2026
Subject:	Annual HRA Budget 2026/27 & Rent Setting	
Report of	Cabinet Member for Finance and Transformation	

Summary

1. In this report Cabinet is being asked to approve the Housing Revenue Account (HRA) Budget for the financial year 2026/27, including all relevant decisions affecting housing funding. This includes key decisions such as setting the housing rent and service charge increases for our Council tenants, which is critical as it effectively determines the financial envelope within which the HRA Business Plan is set, and against which we assess the costs of delivering Cabinet and Council's priorities within our operational plans.
2. Part of the main considerations for the housing service is to ensure that a focus is maintained on housing quality and compliance, within what is becoming an increasingly challenging regulatory environment, to maintain the existing stock to an acceptable standard, whilst seeking to decarbonise the stock wherever possible, and also ensuring the best use of those homes for some of the most vulnerable residents in the Borough.
3. This report seeks to update Members on the proposed Housing Revenue Account (HRA) Annual Revenue Budget and Capital Investment Plan Programme for 2026-27, including the proposed increases in rents, garage rents, service charges and any other relevant charges within the HRA for 2026/27. The recommendations included in this report will enable Cabinet and Council to set a balanced budget for the HRA for 2026/27 which is essential to lay the foundations for the HRA moving forward.
4. To ensure consistency with the General Fund Medium-Term Financial Strategy (MTFS), a three-year Medium-Term Financial Plan (MFTP) has been produced for the HRA. Similarly, the HRA elements of the Council's Capital Investment Plan also span an initial three-year period, in line with the Authority's overall Capital Investment Strategy. Although this report forms part of the overall budget report process for the Council, it has been kept separate from the General Fund to provide Members with an informed and transparent view of the

HRA's current state and challenges, which are different but no less than those for the General Fund.

5. In addition, this report also sets out the position in relation to the refresh of the HRA 30-year Business Plan, to inform Members of the severe long-term pressures facing the Housing Service, which are interpreted within the Business Plan. It highlights that actions are required now to start addressing some of those financial challenges, to lessen the financial and operational challenges that will be faced further down the line if appropriate action is not taken now.

Recommendation(s)

6. **Overview and Scrutiny Committee** is asked to note the report and consider whether they wish to make any recommendations to Cabinet on the content of this report.

7. **Cabinet** is asked to approve the following and commend to the Council:

- Approve the 2026/27 budget for the Housing Revenue Account
- Agree and approve the proposed HRA Capital Investment Plan for 2026/27.
- Approve the setting of individual social formula rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026 (being September 2025 CPI (Consumer Price Index) 3.8% plus 1%).
- Approve the setting of individual actual affordable rents for 2026/27 based on the current National Social Rent Policy, giving a real rent increase of 4.8% with effect from 1st April 2026.
- Approve shared ownership rents to be increased by RPI (as at February 2026) plus 0.5% in line with provisions set out within shared ownership agreements with effect from 1st April 2026.
- Approve an increase in Garage rents of 4.8% with effect from 1st April 2026.
- Approve an increase in Sheltered Management and Support Charges of 4.8% from 1st April 2026.
- Approve an increase in Service and Amenity Charges of 4.8% from 1st April 2026.
- Approve an increase in Support and Heating charges of 4.8% from 1st April 2026.
- Approve an increase in Furnished Tenancy charges of 4.8% from 1st April 2026.
- Approve continuation of the policy that when a social rent property is re-let to a new or transferring tenant the rent level will be revised to match the formula rent (target rent) for that property.
- Note in accordance with the Rent Standard, that where an affordable rent property is re-let to a new or transferring tenant the rent level be set by reference to 80% of the market rent (including service charges where applicable) for a similar property at the time of letting or the formula rent for the property, whichever is the greater.
- Approve in principle in line with Government's commitment confirmed in January 2026, the re-introduction of Rent Convergence for Bury's HRA stock, which will come into effect from April 2027, with an additional rent charge of £1 per week in

2027-28, and £2 per week from 2028-29 onwards until Rent Convergence is achieved.

- Note that Government has confirmed its commitment to the re-introduction of rent convergence from April 2027, with a proposed additional £1 per week charge from April 2027 and £2 per week from April 2028. Until the changes are finally confirmed the additional income has not been assumed in the revenue plan.
- Note that following the Cabinet decision to wind down and close Six Town Housing (STH), a working group has been set up to oversee this process, led by Management Consultants Campbell-Tickell. This process will take at least 12-18 months, and at this stage it is not possible to state what implications if any there will be for the Council's General Fund and HRA. The options as to what will happen to the remaining assets currently held by STH will be presented to Cabinet at the appropriate time for any decisions to be made.
- To note and approve the revisions made to the HRA 30-Year Business Plan.

Reasons for recommendation(s)

8. Initially to ensure that there is a balanced budget in place for the HRA, covering both revenue and capital requirements for 2026/27. The approval of these budget plans for 2026/27 will mean that Bury Council can continue to provide critical housing services to our current tenants and invest in maintaining and improving their homes. This sits within a core set of key policy principles for the housing service: -

- Ensure the application of the principles of economy, efficiency and effectiveness.
- Continue to invest in the existing stock to maintain the Decent Homes Standard.
- Maintain and develop effective engagement with tenants.
- Continually monitor the impact of welfare changes such as Universal Credit on tenants and ensure that they have the appropriate support.
- Work with private landlords to improve their stock where appropriate.
- Undertake environmental improvements to estates if and when possible, acknowledging the impact that this can have in creating safe and clean estates.
- Support the delivery of Affordable Homes across the Borough.
- Undertake direct development, acquisition and refurbishment to bring properties back into use if appropriate and affordable.
- Create sustainable tenancies and maximise rental income collection.
- Undertake sustainability measures across the housing stock as appropriate and affordable to help address the Climate Change Emergency.

Report Author and Contact Details:

Name: Neil Kissock
Position: Director of Finance
Department: Corporate Core Department
E-mail: n.kissock@bury.gov.uk

Relevance to the Council and HRA Business Plan.

9. Balancing the HRA, the Capital Investment Plan, and reviewing the 30-year business plan is critical for effective decision-making and aligning resources with the Council's priorities. While the plan currently includes the ambition to deliver affordable homes, the extent of this has been assessed in light of an increasing cost base and business plan sustainability. There is greater financial pressure being experienced by the business plan due to a greater shift towards maintaining the existing stock, ensuring compliance, and meeting higher regulatory standards, while trying to keep the HRA affordable.
10. The vision of the Council's Let's Do It! Strategy set out in 2020 is to be a resilient, inclusive and sustainable borough that empowers local communities through working together. Provision of social and affordable housing and support to tenants leans into all of the key guiding principles of the Council's strategy and informs the development of the business plan. As the Strategy states "it is not just a strategy for service improvement; it is a radical new proposition for community power, putting relationships first and creating a borough in which every single person plays their part." The ambitious vision for Bury is built upon community conversations and is simply put to achieve greater than national average growth, whilst having lower than national average levels of deprivation. Decent quality, affordable social housing is key to achieving these ambitions.

Background and Policy Context

11. The Authority is responsible for managing just over 7,500 properties. Rents and service charges provide most of the resources available to the HRA, which is then used to fund the management and maintenance of the housing stock. This income and expenditure are accounted for in a ring-fenced account as required by law under the Local Government and Housing Act 1989. The authority does not have any discretion to transfer sums between the HRA and the General Fund, except in very limited and prescribed circumstances. Although accounted for separately, the HRA forms an intrinsic part of the Authority's overall vision and Council Plan, and this report sets the context within which the HRA Financial Plan and Budget proposals are set.
12. In April 2012, in accordance with the Localism Act 2011, the HRA (under the Administration of Bury Council) transitioned from a national subsidy system where it had to make an annual payment to Central Government, to become "self-financing". This change allowed the Council to keep all rental income which was then used to cover the costs of managing and maintaining the housing stock, including expenses for repairs, improvements, as well as interest and debt repayments (if and where applicable). As part of the self-financing agreement, the Government received a one-time capital payment of £78.253m from the Council which was funded from borrowing.
13. In April 2022, following Cabinet approval, Springs became a Self-Financing Tenant Management Organisation, the first in the Northwest. Owing to loss of stock through the Right to Buy sales (1), Springs TMO are currently managing 284 properties. Springs Tenant Management Organisation was formed to manage council homes on a self-financing arrangement. This means that the TMO retains the rents collected from the homes and uses this to pay for the management and maintenance of their properties under local arrangements. The value of the rents collected and passed over to Springs TMO is shown as a management fee cost to the HRA (neutral effect on the HRA).

14. To effectively utilise the autonomy of the HRA under the self-financing system, a comprehensive 30-year Business Plan is used. This plan outlines the Council's overarching goals and objectives for the Housing Service, providing a roadmap for addressing both risks and opportunities. This plan should be updated on an annual basis. The 30-year HRA Business Plan has been reviewed as part of the 2026/27 budget setting process. This has been achieved with the help of our Business Plan provider and advisor (Abovo-Consult), and a fully refreshed and improved business plan model has been developed.
15. The updated 30-year HRA Business Plan sets out how the Council will maintain, improve and invest in its services to tenants and housing stock while ensuring the long-term financial sustainability of the HRA. It reflects rising cost pressures, changing regulatory requirements and the revised scale of the development programme, and shows how borrowing, reserves and rental income will be managed to keep the plan affordable over the long-term. A more detailed overview of the Business Plan, its assumptions and financial impact is provided in a separate section below.
16. The HRA continues to face significant risks and uncertainties that could materially impact the business plan. These include inflation and construction cost volatility, interest rate changes beyond the current Public Works Loan Board (PWLB) concessionary rate period, and the potential outcomes from the Government's rent convergence consultation, which are also discussed further later in this report. Further regulatory requirements, such as building safety and tenant standards, are also increasing costs. These risks are amplified by the Council's substantial investment plan, which includes some acquisition and refurbishment plans, as well as major works to existing stock, and a decarbonisation programme. While the ambition remains to deliver new homes, affordability pressures and borrowing requirements mean the scale and timing of any future schemes has had to be re-assessed, and there is currently limited new development that can be afforded within the business plan as it stands.

Updates on Legislation, Government Policy and Consultations affecting the HRA

Rent Convergence

17. A national consultation on Social Rent convergence was carried out by Central Government in 2025, which sought views on how to phase in rent increases for tenancies that were still below their formula rent, on top of the current national policy of CPI + 1%. Rent convergence refers to the process of gradually increasing rents for properties that are currently below the Government's calculated "formula rent" so that, over time, they align with national standard levels. The formula rent is based on factors such as property size, location, and affordability, and is intended to ensure consistency across social housing providers. The outcome of the consultation was finally announced towards the end of January 2026, and will not be implemented until April 2027, with a CPI + 1% + £1 per week increase from April 2027, and a CPI + 1% + £2 per week increase to be implemented from April 2028 onwards until rent convergence is achieved, and all rents are at formula rent. These proposals have been modelled through the revised budget and business plan for the HRA.

Impact: Uplift in rental income assumptions from April 2027 onwards, supporting

long-term financial sustainability.

Risk: Increased affordability pressures for tenants not on full benefit support.

Benefit: Strengthens HRA income base, enabling investment in compliance and stock improvement.

Decent Homes Standard (DHS) Reform – Consultation (launched July 2025)

18. Government launched a consultation on a redesigned Decent Homes Standard, proposing clearer criteria, stronger safety rules, higher thermal comfort expectations, and a new mandatory standard for damp and mould. For the first time, the Standard would apply to both Social and private rented homes, aligning with reforms in the Renters' Rights Bill. However, as it stands the new standards would not apply until 2035.

Impact: Likely to increase capital investment requirements for compliance and influence future maintenance programmes. Delivery of this target will be challenging both operationally and financially.

Risk: Significant cost implications for planned works and potential strain on Capital budgets.

Benefit: Improved housing quality and tenant health outcomes and alignment with national standards.

Minimum Energy Efficiency Standards (MEES) – from November 2025

19. New minimum energy efficiency requirements took effect in November 2025, raising expectations for insulation, heating efficiency, and overall building performance. This includes the proposal to formally raise the minimum energy efficiency standard for social housing to EPC band C by 2030. The Council has begun investing in homes to move towards this outcome for some time. Although targeted mainly at new build and funded programmes, these changes set the direction of travel for future national policy, including expected uplifts to EPC requirements for all social housing.

Impact: Reinforces the need for significant investment in energy efficiency works, reflected in the Housing Carbon Reduction Programme.

Risk: Escalating retrofit costs and operational challenges in delivery.

Benefit: Reduced tenant energy costs, progress towards net-zero targets, and long-term asset resilience.

Awaab's Law – October 2025 – Phase 1

20. From October 2025, social landlords must meet new legal response times:

- Emergency hazards to be made safe within 24 hours.
- All significant damp and mould to be inspected and fixed within 10 working days.

21. The next phases of the requirements will be rolled out during 2026/27 and will extend these deadlines to all major Health and Safety Rating System hazard (apart from overcrowding).

At this stage no new funding has been provided to enable the authority to meet the additional burden placed on it because of these changes.

Impact: Requires prioritisation of damp and mould works within the capital Programme and additional compliance monitoring.

Risk: Failure to comply may result in court orders, tenant compensation, or regulatory sanctions, creating financial and reputational exposure.

Benefit: Improved tenant health and safety, reduced risk of litigation, and stronger Regulatory compliance.

Right to Buy (RTB) Reforms – November 2024

22. In the Chancellor's Autumn Budget Statement in November 2024, RTB discounts were reduced to pre-2012 levels and the cost floor extended to 30 years. Under the first of the new rules, discounts still start at 35% of valuations after three years, increasing by 1% per additional year up to a maximum of 70%, but are limited to a regional maximum, which in Bury is £26,000 (previously up to £102,400 nationally). Applications submitted up to 21 November 2024 are still eligible for the higher discount regardless of when the sale completes. This led to a large influx of applications prior to the November 2024 deadline, causing a backlog which is still being worked through now. The costs floor rule means that the discounts cannot reduce the price below the build or refurbishment costs.

23. Further consultation has provided for more changes to be enacted at some stage, which will make further changes to eligibility, exemptions for new build homes and tougher post-sale rules on the use of the receipts. Once legislation is passed, the number of years of required tenancy will increase from 3 to 10 years before an application can be made, discounts at 10 years will start at 5% rising annually by 1% to a maximum of 15% and still be capped at £26,000.

Impact: Expected to significantly reduce RTB sales, lowering receipts but helping maintain rental income levels. This will have a direct impact on future resources for development.

Risk: Short-term surge in applications has impacted stock levels, but longer-term the anticipated reduction in RTB sales means RTB receipts which can be used to fund the development programme are likely to drop dramatically.

Benefit: Longer-term retention of rental income supports HRA sustainability.

Social Housing Regulation – Stronger Consumer Standards

24. Implementation of the Social Housing (Regulation) Act continues, with new Competence and Conduct Standards applying from October 2026. Senior housing managers will need formal qualifications, and landlords must meet strengthened standards on safety, tenant engagement, and transparency, including new Social Tenant Access to Information Requirements (STAIRS) from 2026/27.

Impact: Increased compliance costs and workforce training requirements.

Risk: Additional resource and training costs; risk of regulatory action if standards are not met.

Benefit: Improved governance, tenant engagement, and service quality.

Renters' Rights Bill – Wider Regulatory Alignment

25. As the Bill progresses through parliament, it will end Section 21 evictions, extend the Decent Homes Standard to the private rented sector, and strengthen tenant rights.

- **Impact:** Creates closer regulatory alignment across housing sectors and raises expectations for social landlords.
- **Risk:** Increased scrutiny and potential legal challenges during implementation.
- **Benefit:** Greater consistency in housing standards and improved tenant protections.

National Housing Strategy and 2025 Spending Review

26. Government confirmed a £39bn Social and Affordable Homes Programme over 10 years, alongside national priorities for improving safety, quality and decarbonisation.

- **Impact:** Shapes the broader financial environment for HRAs and influences future capital and revenue planning.
- **Risk:** Funding allocations may not fully offset cost pressures, requiring reprioritisation of investment plans.
- **Benefit:** Opportunity to access grant funding and align local programmes with national priorities.

HRA Capital Programme 2026/27

27. Appendix 1 provides an overview of the proposed capital programme for 2026/27, and for the three years covering the period of the Council's Medium Term Financial Strategy (MTFS). The budget for maintenance of existing homes is higher than in previous years due to a range of factors and is informed by new stock condition data arising from surveys undertaken in 25/26. Some of the new issues included in this budget are discussed below, along with the normal programmes of decent homes component replacement (kitchens, bathrooms, roofs, windows etc).

Planned Refurbishment of Council Stock

28. The planned maintenance programme for the housing stock (kitchen, bathroom, roof, window replacement) continues to be delivered, but recent stock condition surveys have highlighted additional works that have not previously been budgeted for. These include long-standing issues which are symptomatic of an ageing asset base and estates, (for example essential tree works, external paths etc) that cannot be delayed further, alongside inflationary pressures in the repairs sector. Since the last report, the service has undertaken a detailed data-driven review of budget requirements, drawing on findings from the new stock condition survey, which is now nearing completion. This review has identified a substantial volume of capital and revenue works required to maintain compliance and asset integrity. As a result, the planned refurbishment capital programme has increased

considerably for 2026/27 and the period covering the MTFS. Over the next three years a total of £42.036m will be spent on maintaining the existing stock, out of a total Capital spend over the 3-year period of £70.866m.

Housing Energy Efficiency Programme

29. The service is continuing to progress the Housing Energy Efficiency Programme (HEEP), which aims to improve energy efficiency and reduce carbon emissions across the housing stock. Current priorities include measures to move towards achieve EPC Band C compliance across the stock. Planned works include loft insulation, installation of photovoltaic (PV) panels, smart hot water cylinders, and a number of cavity wall insulation projects are planned. A number of these initiatives will help with some of the root causes of a high number of damp and mould cases and will help reduce energy costs for our tenants. The programme continues to support the Council's climate objectives and will contribute to reducing fuel poverty and improving health outcomes for our residents. The programme will see a total of £17.100m spent on various carbon reduction initiatives over the next 3 years.

Potential Household Savings from Energy Efficiency Measures

Energy Efficiency Measure	Estimated Saving
Loft Insulation	5%-10%
Cavity Wall Insulation	10%-15%
Solid Wall Insulation	3%-5%
Floor Insulation	5%-10%
Windows and Doors	1%-5%
LED Lighting	0.50%
*Hot Water	30%
Replacement of storage heaters with high heat retention storage heaters	20%-25%
Solar PV (on suitable properties only)	10%-30%

**Installation of smart hot water cylinders to be used in conjunction with solar divertors attached to solar PV (on suitable properties)*

Awaab's Law

30. Awaab's Law came into effect in October 2025, introducing strict requirements for social landlords to address hazards that pose health risks to tenants. The first phase requires emergency hazards to be made safe within 24 hours and significant damp and mould issues to be inspected and resolved within 10 working days, with remedial works completed promptly. Further phases will follow in October 2026 and 2027, extending these obligations to additional Health and Safety Rating System Hazards, including excess cold, fire safety and structural risks. These requirements have potentially significant implications for the Planned Refurbishment programme, as investment in ventilation, insulation and other remedial works will be essential to ensure compliance. Failure to meet these standards can result in enforcement action, including court orders, compensation claims, and regulatory sanctions. The capital programme must therefore prioritise works that address damp and mould and improve energy efficiency to protect tenant health and avoid financial and reputational risks.

New Build, Acquisition and Refurbishment Programme

31. To date the development programme in the HRA at Bury has been minimal. Development was concentrated in Six Town Housing, and these properties are not owned by the Council directly and are not part of the HRA. They were financed by separate borrowing by STH. Until 2023/24, the Council's HRA had not generated any 1-4-1 RTB receipts from its sales and did not borrow to build (or finance the Capital Programme). From 2023/24 onwards, the Government has allowed HRAs to keep the proportion of the RTB receipts that would have been HM Treasury's share, but these receipts must be used on replacement homes within 5 years of being generated. As a result of receiving these receipts, the development programme includes 12 new build homes that will be acquired from a developer at a cost of £3.18 million. In addition, the developer as part of the land deal agreements is gifting a total of 15 properties to the Council, which will be used to house families on the waiting list.
32. The acquired and gifted properties should all come into stock and become lettable by the end of 2026-27. The plan also includes provision for a project to build 16 new homes on the site of The Elms at an estimated cost of circa £4 million which would come into stock by the end of 2027/28. Funding is assumed to be from RTB receipts, Homes England Grant and commuted sums from S106 developers. Potential provision has also been made over the next two years, to carry out a project to resolve issues around Eton Hill Flats, which have continued to deteriorate and become a blight. Favoured options at this stage involve a major refurbishment of the site, but several options are being looked at.
33. Overall, currently over the next 3 years there is the potential for a total of £10.870m to be spent on new build, acquisition and refurbishment of existing stock to either add to the existing stock or bring empty properties back into use.

Information and Communication Technology

34. It has long been recognised that the various Housing-related IT management systems currently being operated to support the Housing service are in serious need of upgrading, to bring them anywhere close to being fit for purpose. Options for upgrading and enhancing current systems, or potentially ultimately replacing those systems will be brought to Cabinet in due course. However, it should be noted that provision has been made within the current refresh of the HRA Business Plan, in terms of both Capital and Revenue resources to enable systems to be upgraded over the next three years.

Resourcing the Capital Programme

Useable RTB Receipts and Retained (1-4-1) Receipts.

35. The rules governing the distribution and use of RTB capital receipts are complex. However, the Government has introduced changes that provide greater flexibility in the use of 1-4-1 receipts. Since April 2023, councils with HRAs have been allowed to retain RTB receipts in full, removing the previous requirement to return a proportion to Government. Flexibilities introduced in July 2024 (which become permanent from 2026/27) now allow councils to fund up to 100% of development costs using retained receipts, combine 1-4-1

receipts with Section 106 contributions and affordable housing grants, and remove the previous cap on acquisitions (which was limited to 50% of scheme cost).

36. From 2026/27, the Local Authority Share and RTB buyback allowance will also be included within retained receipts and subject to the same restrictions and time limits. This means they will no longer be freely usable for other capital purposes (e.g. General Fund projects) and must be applied exclusively to development within the HRA. In addition, the repayment deadline for unused 1-4-1 receipts will be extended to 10 years for receipts generated from 2027/28 onwards, providing greater certainty for long-term planning. These measures enhance the ability of local authorities to deliver new social and affordable housing and reduce the risk of losing receipts due to delays in construction or planning.
37. However, it should be noted that changes to RTB discount rates as described above, are expected to substantially reduce the number of RTB sales. This in turn will lead to a sharp decline in 1-4-1 receipts, meaning that the development programme would need to rely on alternative funding sources if it is to continue future development.

Grant Income

38. Grant from the Affordable Homes Programme has been approved in principle for the Elms scheme in discussion with Homes England. The authority was also successful in obtaining grant from the Greater Manchester Combined Authority's Social Housing Fund in 2025/26 of £2.300m for various carbon reduction and other energy related works,
39. Other Receipts includes any other HRA (non-schedule) receipts or non HRA receipts available to support capital expenditure, for example from and developer contributions, commuted sums.
40. Major Repairs Reserve the HRA makes a provision by way of a credit to a MRR of an amount in respect of depreciation applied to the stock. This MRR is used to fund capital investment in refurbishment components such as kitchens, roofs etc.
41. Revenue Contribution to Capital Outlay (RCCO) The HRA Business Plan aims to ensure that revenue balances remain at a minimum of £2.000m throughout the life of the plan. Where affordable, Revenue Contributions to Capital Outlay (RCCO) will be made, provided this does not reduce the balance below this threshold. This approach helps minimise borrowing and associated interest costs, while also maximising the interest cover ratio.
42. Borrowing the Council borrowed £78.253m in 2012 in addition to its existing HRA debt, to meet the self-financing settlement with phased maturity dates continuing until 2041/42. The opening balance of the HRA debt in 2025/26 was £119.012m, which includes £14.6m borrowed internally from the General Fund. Most of the HRA loans are Public Works Loan Board (PWLb) fixed maturity loans with interest charged based on each specific loan. Around £6m of loans are classed as market loans from banks / funding institutions.
43. During the 2025/26 financial year, the Council has undertaken a major refinancing exercise of a number of its individual debts, including those affecting the HRA. On the advice of its Treasury Advisers, £42.169m of the HRA proportion of loans has been paid off and refinanced with seven new PWLB loans. These loans are "EIB loans" which means the

Council makes a repayment of the debt every year and interest is reduced. A discount on interest will also be received in relation to the old loans over 10 years.

44. The Business Plan assumes that these loans will be refinanced when they reach maturity and as repayments are due each year. The HRA balances are not sufficient to make repayments every year and finance the latest capital programme. Any shortfalls in capital financing are assumed to be met from Revenue Contributions to Capital Outlay (RCCO), where this is affordable, or from additional borrowing using long term PWLB fixed maturity loans. Any new borrowing has been assumed as having an interest rate of 4.98% rising to 5.18% by April 2027 onwards.
45. When a loan matures, it is assumed that the loan will be refinanced internally with the General Fund at 5%, until there are sufficient resources available in the plan to provide for repayment. The balance of debt on the HRA at 1 April 2026 is expected to be £129.624m as a result of the requirement to borrow around £10.715m for the capital programme in 2025/26.

Revenue Budget Estimates for 2026/27

46. Appendix 2 provides an overview of the proposed revenue budget for 2026/27, as well as for the full three years covering the Council's Medium Term Financial Strategy (2026-29).

Key Changes to the Revenue Budget

47. Interest Receivable The budget for interest receivable has been reduced by £0.286m to reflect lower cash balances and a reduction in interest rates. This adjustment ensures that income projections remain realistic given current market conditions.
48. Sheltered Housing Service Charges - Service charges for sheltered housing have been reviewed and for 2026/27 it has been recommended that they are increased in line with the rent increase at 4.8%. However, alongside this it is recognised that there is a need for a fuller of service charges, as some budgets were clearly inaccurate historically. These charges typically cover the upkeep of communal areas and facilities, such as cleaning, grounds maintenance, lighting, and equipment like lifts and door-entry systems. The service has identified that some chargeable items, including communal lighting, gardening and cleaning, are not currently recovered. A full review will be undertaken to look at this, but any changes will not affect tenant charges in 2026/27.
49. Depreciation The budget for depreciation is changing significantly for 2026/27. The Authority has engaged new valuers, and this has led to a review of the principles for calculating the depreciation charges attributable to the Council's assets. This revised approach has seen a significant increase in the value attributed to the HRA's asset base of over £60.000m for 2025/26. This results in an increased depreciation charge to the HRA of just over £1.650m above budget for 2025/26, increasing from the £7.300m budgeted for to over £8.950m. The treatment of Depreciation is markedly different between the General Fund and the HRA, as for the HRA, the charge is a direct charge to the bottom line of the budget and has to be transferred to the Major Repairs Reserve (MRR) to fund the Capital Plan, hence squeezing revenue resources much earlier in the business plan than would otherwise have been the case. It has been assumed that this trend will continue and so the

budget has been increased to £9.137m for 2026/27, which also includes an inflationary element.

50. Revenue Contribution to Capital Outlay (RCCO) The new HRA Business Plan includes an estimated RCCO of £8.000m for 2026/27. These types of contributions are made each year where affordable. Using revenue to support capital investment helps minimise and delay borrowing and associated interest costs, supporting long-term financial sustainability.
51. Interest Payable The interest payable budget has reduced in 2025/26 following the debt restructuring exercise referred to earlier as discounts have been allocated over the first ten years. However, these costs start to rise significantly year on year as the projection from the new HRA Business Plan are applied. This reflects the additional borrowing required to fund the Council's capital programme, including works to maintain and improve the existing stock, supporting essential compliance works, energy efficiency upgrades addressing other issues across the estate, all of which are key priorities in the 30-year Business Plan.
52. EPC and Stock Condition Surveys The importance of constantly updating stock condition survey data and carrying out EPCs where required is noted. As part of the restructure of the housing property services function this was recognised by creating a number of internal surveyor posts, which will provide a constant rolling update of stock condition data across the stock. Both EPC and stock condition surveys are critical for meeting regulatory requirements, supporting decarbonisation plans, and informing long-term investment priorities within the HRA Business Plan.
53. Compensation and Legal Advice The budget recognises the pressures brought about by an increasing blame and claim culture, and so increased provision has been made to cover compensation payments and specialist legal advice. This reflects the need to manage claims and regulatory compliance effectively, with options for developing in-house provision currently under review.

HRA Rent Setting

National Social Rent Policy

54. In accordance with the Government's National Social Rent Policy, which came into effect from 1st April 2020, rents could increase by up to CPI plus 1%, until 1 April 2024. In April 2024, the previous Government confirmed that this policy would be extended for 2025/26, or until 1 April 2026. Following a consultation in November / December 2024 on the future of social rents, the Government confirmed that this policy would be extended for the next 10 years or until 2036/37. This was reconfirmed in the Autumn Budget Statement on 26th November 2025.
55. This policy is also confirmed in the Regulator of Social Housing's (RSH) Rent Standard, which applies to **all** social housing providers.
56. Where a property is or becomes void during 2026/27, social rent properties can be increased to the social formula rent on re-let. The formula for social rent has been provided for all social housing providers since 2001 and is designed to give standardised

rents in England based on location, affordability and the number of bedrooms. Social housing providers are allowed to set the target rent at up to 5% above the formula rent for General Needs properties and up to 10% above for Sheltered properties and be within the Rent Standard.

2026/27 and future rent setting

57. In line with the Government's National Social Rent Policy and the RSH Rent Standard, it is recommended that for 2026/27 all Bury Council rents (social and affordable) will increase by CPI plus 1%. This is a real increase of 4.8% in 2026/27 based on CPI in September 2025 of 3.8%.
58. Affordable rents are set at a maximum of 80% of the market rent for a similar property in the area, including service charges, and capped by the relevant Local Housing Allowance if lower. On a change of tenancy, the rent is recalculated using the same rule, which may result in a decrease if market rents fall. The initial affordable rent figure must always be higher than the social formula rent plus any service charges for that property.
59. Shared Ownership rents are calculated based on the value of equity in the property that the Council holds. This will be different for every property that is partially sold under the scheme. The legal agreement determines the rent increase allowed and these properties are not covered by the Rent Standard. The rent increase for Shared Ownership properties is February RPI + 0.5%. February's rate of RPI will not be known until mid-March 2026. As a guide, December's RPI figure recently announced was 4.1%, which if this remained the same would mean Shared Ownership rents rise by 4.6%.
60. Therefore, the impact of these increases across all existing properties in the housing stock is an average actual increase for 2026/27 of 4.8% for social rented properties – General Needs and Sheltered in total (£4.65 per week on a 50-week basis) and 4.8% for affordable rent properties - General Needs and Sheltered in total (£9.71 including services per week on a 50-week basis).
61. This is only an average actual monetary increase and because rents will be calculated for each individual address, some rents will increase by more than the monetary value based average but conversely some rents will increase by a lower amount. The lowest change is an increase of £1.47 per week and the highest of £6.51 per week, both based on a 50-week basis for social rents. The lowest increase for affordable rents is £5.28 per week and the highest is £11.46 per week.
62. This gives an average social rent in 2026/27 of £101.43 per week and an average affordable rent of £211.87 including services per week.
63. Based on actual stock mid-January 2026, the average rents by type and bedroom size in 2025/26 and 2026/27 based on a 4.8% increase are shown below. There are 50 rent collection weeks in each year:

Social Rents

Analysis Categories:		SR Bedsit	SR One Bed	SR Two Bed	SR Three Bed	SR Four Bed	SR Five Bed
Stock Numbers							
Current	2025.26	156	3,035	2,391	1,843	101	2
Average Actual Rents							
Year	Year						
Current	2025.26	£80.98	£89.44	£98.02	£107.50	£116.24	£131.30
1	2026.27	£84.87	£93.73	£102.72	£112.66	£121.81	£137.60
Average Formula Rents							
Year	Year						
Current	2025.26	£84.30	£95.50	£106.60	£117.90	£127.01	£135.79
1	2026.27	£88.35	£100.08	£111.71	£123.56	£133.11	£142.31

Affordable Rents

Analysis Categories:		AR Two Bed	AR Three Bed
Stock Numbers			
Current	2025.26	57	2
Average Actual Rents			
Year	Year		
Current	2025.26	£217.29	£172.74
1	2026.27	£227.72	£181.03

64. In June 2025, as part of its Spending Review the Government announced a 10-year social housing rent settlement from 2026 at CPI plus 1%, alongside a consultation to follow on how to implement rent convergence. As part of the consultation on the rent settlement, there was clear feedback that the level of investment in new and existing social housing, needed to deliver the Government's ambitions would not be unlocked unless social housing was considered. Convergence would allow rents for social rent properties only that are currently below the 'formula rent' to increase by an additional amount each year, over and above the CPI plus 1% limit, until the rent 'converges' with formula rent. Formula rents refer to the formula that is used to calculate the social rent that may be charged for a given property. A convergence mechanism was originally introduced in 2002 but was abandoned in 2015.

65. The consultation on how to implement Social Rent Convergence ran between July and August 2025 with the Government seeking views on:

- I. The rate of convergence; whether weekly rents should be allowed to increase each year by either £1, or £2 over and above the CPI plus 1% limit) until they converge with formula rent.
- II. The timing of convergence: whether convergence should be available to Registered Providers of Social Housing for the full period of the rent settlement, or only for part of

it (i.e. by being implemented after 2026 and / or terminated before 2036), and when it should be first implemented from.

66. As part of the Government's Autumn Budget on 26 November 2025, the Government delayed a decision on this policy until January 2026. This implied that convergence is unlikely to be allowed from April 2026 given the timescales that would be needed for approval and implementation. This was confirmed late in January 2026, with the Government announcing that rent convergence would be re-introduced from April 2027. Given the length of time between now and next April it is recommended that we don't make any assumptions around the impact on business plans and budgets, until details are confirmed prior to setting the 2027/28 budget.

Rent Setting 2026/27–Options, Risks and Reasons for Recommendations

67. The Government's Spring Budget of March 2025 has allowed rents to increase by up to CPI + 1% in 2026/27 and agreed to maintain that increase for a minimum of ten years from April 2026. This provides certainty for long-term financial planning and supports the sustainability of the HRA Business Plan, enabling continued investment in compliance works, energy efficiency improvements, and new affordable homes.

68. The Government's budget in October 2024 resulted in increased levels of employer national insurance costs going forwards and also additional costs on contractors that may be passed on. Inflation in the repairs and maintenance industry is running at higher rates than the standard average inflation level. Wage increases for the year on average have risen by 4.1% in the UK. This has resulted in inflation in September 2025 of 3.8% compared to previous estimates of 2.5%.

69. Borrowing costs, even with an extension (to 31 March 2026) of the interest rate cut for PWLB borrowing is still at its highest level for years. Long-term borrowing rates remain at over 6% for PWLB. This means the cost of borrowing to support increased costs of capital works / development aspirations is higher and will continue to be for some period of time. Interest rates are predicted to be higher than rent increases going forwards. Changes in the Right to Buy (RTB) discounts and expected changes in eligibility will drastically reduce the number of sales of social properties. Whilst this maintains the rental income to the HRA, it will mean that there are fewer capital receipts than in previous years to contribute to the cost of maintaining current stock and developing new homes.

70. Whilst the Government have announced that welfare benefits will increase in line with inflation in 2026/27, Government intervention in rent setting (such as in 2023/24) remains a risk to future rental income. Therefore, in order to set a balanced HRA revenue budget it is advisable to increase rents whilst this opportunity is still available. This is to ensure that the Council, as a landlord, is adopting and implementing an appropriate approach that first and foremost manages risk to residents and secondly meets its statutory and regulatory obligations. Many of the new obligations were not part of the 2012 self-financing debt allocation and these together with previous years' rent reductions (2016-2020) or limits (2023/24), have put pressure on HRAs to achieve the expectations of 2012, let alone the current requirements.

71. The HRA business plan does not assume at this stage that rent convergence at CPI + 1% + £1/£2 per week will commence from April 2027. Should the future inflation rate not drop

towards 2% next year, then the opportunity to recover rent lost in previous years, may still not be offered by the government. The majority of the cost of the additional rent will be borne by the government in terms of the benefit bill.

Service User Implications

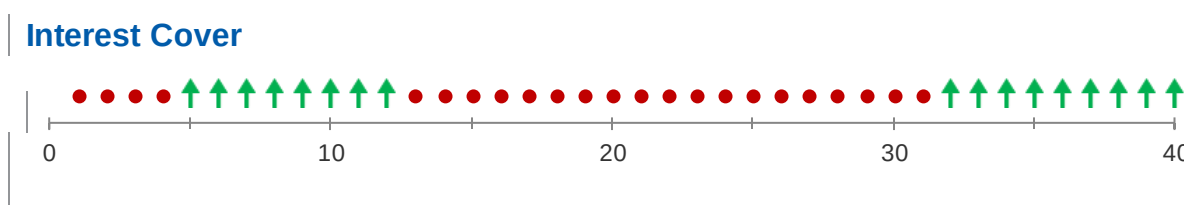
72. In the Government's Autumn Budget (26 November 2025) it was announced that for 2026/27 tenants in receipt of income related benefits, including Universal Credit and Housing Benefit will see their benefits increase in line with inflation. In addition, the National Minimum Wage will increase by 4.1% to £12.71 per hour from April 2026, which will help mitigate the cost-of-living pressures for working households.
73. Approximately 60% of tenants in Bury receive Housing Benefit or Universal Credit and will therefore fully or partially be mitigated against the impact of the rent increase. For those not in receipt of full benefit support, the increase may represent a greater challenge, particularly for households on partial benefits or low incomes. Over the last 12 months we have seen a sustained level of requests for support from tenants seeking assistance with their housing costs and who may be financially vulnerable.
74. The service has an extensive variety of support options in place to assist these tenants. Our Tenancy Sustainment professionals help tenants to manage their finances and optimise available income, such as access to benefits, benefit reviews, and supporting benefit appeals and backdates. We will utilise sources of government funding such as Discretionary Housing Payments (DHP) and we have successfully bid for Housing Support Fund monies to help with fuel and food poverty amongst vulnerable tenants. Income Officers actively monitor arrears and maintain regular engagement with tenants, ensuring early intervention for those who are facing financial challenge and are a frequent source of referral to our support team to improve financial wellbeing and sustain tenancies.
75. All additional income from increased rents and / or other service charges will support future investment both in the Housing Service and the housing stock. This will fund essential compliance works, energy efficiency improvements, and estate enhancements, delivering long-term benefits for tenants through safer, warmer and more sustainable homes.

HRA 30-Year Business Plan Review

76. The Council uses Fortress HRA Business Planning tools supplied by Abovo-Consult. Each year this is reviewed and updated in line with current legislation and requirements of the stock profile. This model incorporates the latest capital and revenue budget estimates for 2026/27, current economic assumptions, and updates for recent Government policy changes, including Right to Buy reforms. As stated above it also does not at this stage assume rent convergence from April 2027. The new model offers enhanced financial planning functionality and, together with external advisors, provides robust support in what is a challenging period for the social housing sector and providers' business plans.

Key outcomes of the review

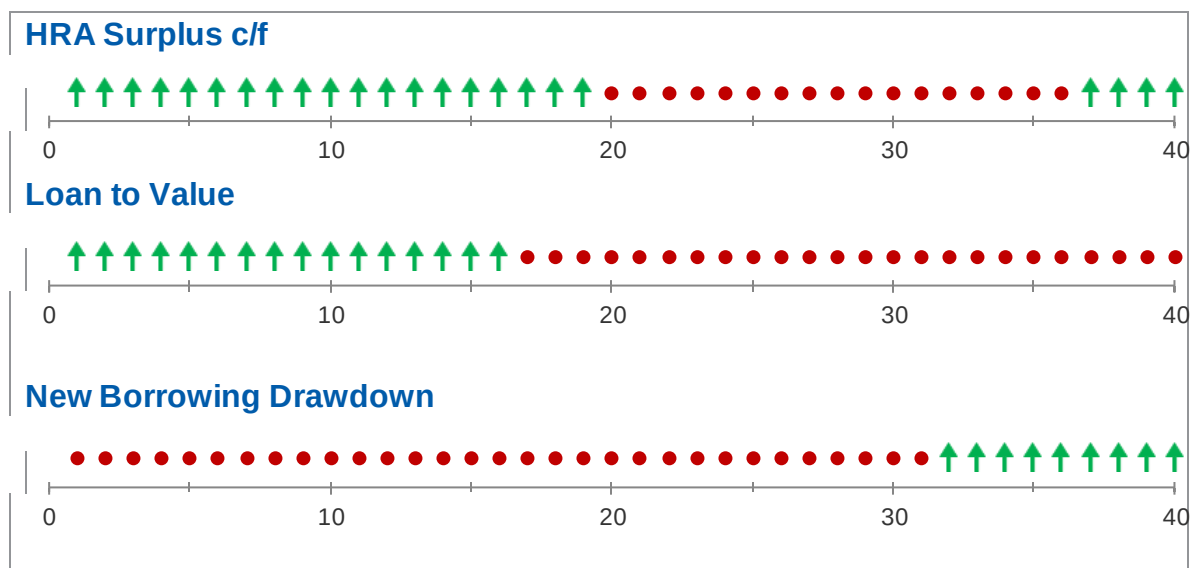
77. Peak debt under the latest version of the HRA Business Plan is £447m, compared to £242m in a previous iteration of the plan.
78. The revised development programme now assumes 41 new homes or acquisitions over the next three years, with total capital spend of £10.870, funded by a combination of grants, commuted sums, shared ownership receipts, revenue contributions (RCCO) and borrowing. There is no assumption at this stage of further development beyond the first three years, as resources are increasingly having to be directed towards increased compliance, safety and regulatory risk in relation to the existing stock. With the envisaged reductions in future RTB sales and resulting capital receipts, the options for further development are significantly curtailed unless other resource streams are made available.
79. Unfortunately, the implication of continued low levels of current and future development, is that the plan becomes more and more reliant in the medium to long-term on borrowing to fund essential decent homes delivery, which then leads to higher peak debt (£441m) and weaker interest cover.
80. The table in appendix 3 to this report gives a detailed breakdown of capital spend and financing over the 30-years of the business plan. The table in appendix 4 to this report gives a summary breakdown of revenue expenditure over the total 30-years of the business plan.
81. The model assumes that existing loans are refinanced as they fall due, on long-term loans of 40 years, rather than being repaid early. Because the HRA no longer generates enough spare cash to pay down debt, available balances are instead used within the capital programme to reduce the level of new borrowing. This approach helps to contain debt growth in the early years of the plan. However, during the medium-term years of the plan, without other sources of income or significant reductions in costs, which risks reduced levels of service, and the level of borrowing will become unsustainable.
82. The key parameter of Interest cover ratio is consistently broken across the current version of the 30-year plan and will only improve if more income streams come online, or if costs can be driven down. If rent convergence is implemented from April 2027 there will be some additional income potentially feeding the plan which would help. The visual below highlights the years in which the interest cover target is breached (red dots). It can be seen that there are significant periods of the current plan where interest cover is breached.



83. Interest cover is a measure of the HRA's ability to pay the interest on its debt. It compares the surplus earnings to the interest costs of borrowing. A higher interest cover means that the HRA is more easily able to meet its interest payments and there is more headroom

to address shocks for example, if income drops or costs increase. A lower interest cover means that the organisation is more likely to struggle to meet its interest costs and lenders and auditors will see this as a risk.

84. The plan assumes refinancing of debt on a long-term 40-year revolver basis when loans mature. Borrowing remains significant, but the use of Revenue Contributions to Capital Outlay (RCCO) in years where affordable, and careful profiling, would help reduce exposure.
85. The visual below shows years when new borrowing is drawn down (red dots). The Plan shows that the HRA relies more and more on borrowing to fund the Capital Plan over the next 30 years. The only ways to start addressing this position is by driving down costs within the plan. An initial savings target of £0.500m per annum for the first 4 years of the plan has been assumed, which would represent a £2.000m reduction in the cost base after 4 years, which would then need to be reviewed again, considering any significant changes in the Treasury Management position for the HRA.

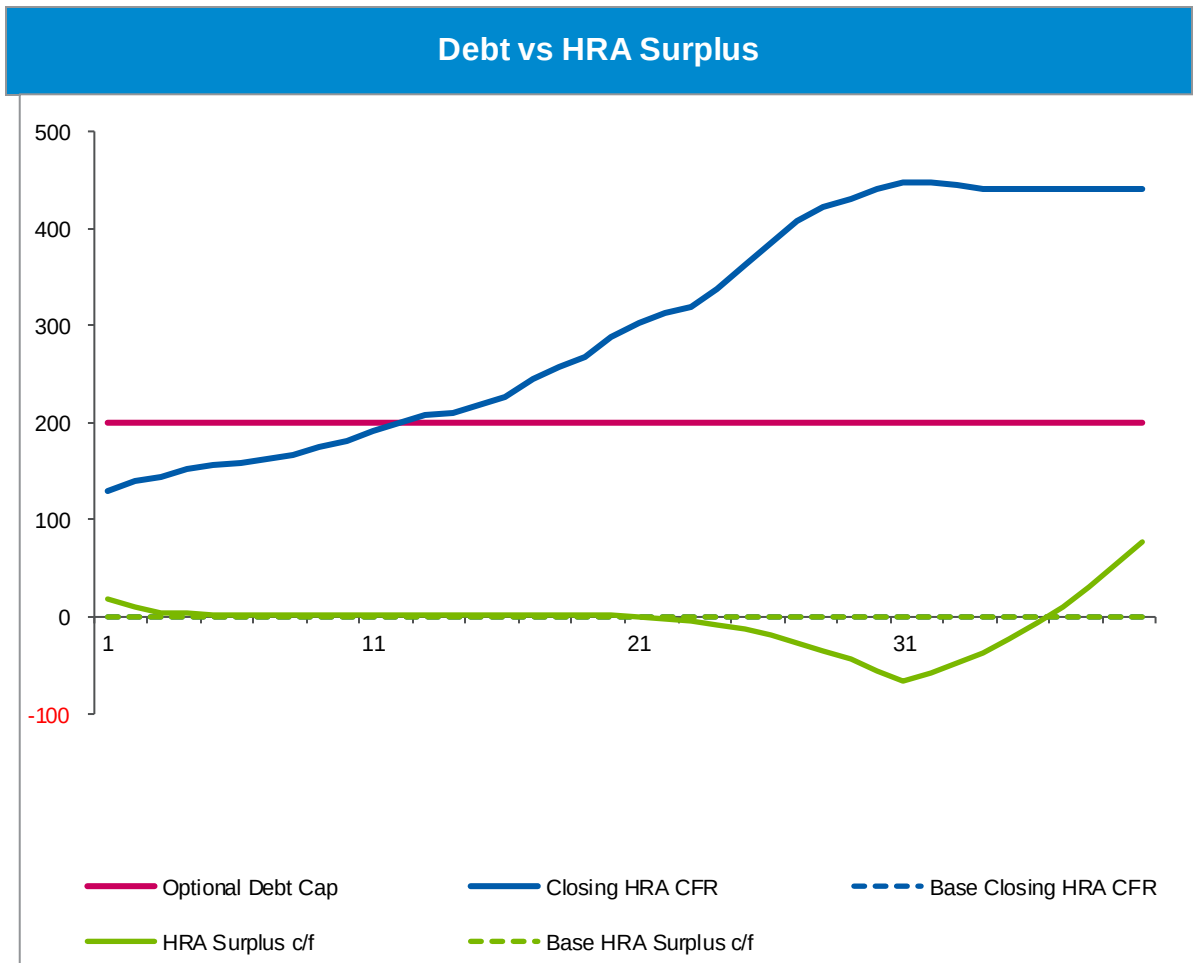


HRA Debt vs. HRA Surplus

86. The chart below illustrates the relationship between the HRA debt and HRA surplus over the 30-year life of the Business Plan.
87. The Blue line (Closing HRA CFR): This represents the closing Capital Financing Requirement (CFR), which is effectively the level of outstanding debt. The chart shows debt rising significantly throughout the life of the plan as increasing levels of borrowing are required to fund the capital programme, peaking after 30 years at an estimated debt level of £441m at in year 2054/55. This reflects the revised and limited amount of development that is currently affordable in the plan and the assumption that debt is refinanced on a long-term basis rather than any more being repaid early.
88. The Green line (HRA Surplus c/f): This shows the cumulative HRA surplus (cash reserves) over time. The surplus remains very low for most of the plan due to heavy investment in compliance, decarbonisation and development, and effectively the HRA

goes into a negative cash position in year 21, 2045-46, which statutorily the HRA is not allowed to do.

89. The chart demonstrates that the HRA carries high debt throughout the plan, this is partially managed through refinancing rather than early repayment, but as already stated is not currently an adequate solution to keep the 30-year plan in balance. The position will only improve if costs can be driven down, longer-term interest rates start to come down, and other resources can be identified and maximised, such as grant income. But it should be noted that the current picture presents a very challenging set of circumstances for the HRA.



90. The Table below summarises some of the key metrics in the plan:

	Base	Live	Movement
Peak Debt £'000	0	447,408	▲ 447,408
Peak Debt Yr	1	31	
Repay Yr	1	40+	
Net Peak Debt £'000	0	513,484	▲ 513,484
Net Peak Debt Yr	1	31	
Net Repay Yr	1	40+	
Min HRA Surplus c/f	0	-66,076	▼ -66,076
Min HRA Surplus c/f Yr	1	31	

Min Interest Cover	0.00	0.60	▲	0.60
Min Interest Cover Yr	1	31		

91. The table shows that the Business Plan reaches a peak debt position of £441m at the end of the 30-year period in year 2054/55 (up from £242m in a previous iteration of the Business Plan). The opening HRA surplus at April 2026 is projected to be £18.386m. As described above, the minimum interest cover ratio level, 0.60 occurs in year 30 (54/55) of the plan (against a target ratio level of 1.25).

HRA Business Plan next steps

92. In order to improve the long term outlook for the HRA a number of areas will be explored with the aim of reducing costs within the HRA and increasing income including;

- Improving the collection of rent and service charges. Rent arrears are currently very high and improved rent collection would increase the income available to the HRA. Reviewing service charges to ensure they are fair and the tenants and leaseholders pay for the service chargeable services they receive will also increase income into the HRA
- Reviewing all services to ensure they are as efficient and effective as possible to deliver increased efficiency savings and reduce management costs.
- Improving procurement practice and contract management within the service will lead to savings and reduce management costs in the repairs service.
- A full review of the 30 year capital programme to remove any unnecessary expenditure and duplication.
- More strategic procurement of the capital programme to reduce costs and increase efficiencies.
- Carry out an assessment of all housing assets to ensure they remain viable and dispose of those where the costs outweigh the benefits or that cannot be improved to decent homes or EPCC standards.

Rent Setting – Implications of not approving the Rent Increase

Immediate Financial Impact

93. The proposed 4.8% rent increase (CPI + 1%) would generate c.£1.75m additional rental income in 2026/27, based on the same level of stock as in January 2026. Refusal would create a shortfall, within an even shorter period than already outlined in the current 30-year plan, it would still be possible to set a balanced budget for the first few years, but it will be virtually impossible to set a balanced HRA budget long-term, when it would go into deficit about two-thirds of the way through the Business Plan's life. Addressing the deficit will require:

- Efficiencies in service delivery including potential service reduction
- Improvements in rent and income collection
- Potential reductions in the capital programme including more effective procurement

- Additional borrowing, which would lead to higher interest costs and long-term financial pressure.

Impact on the HRA Business Plan

94. The plan assumes CPI + 1% rent increases for the next decade. Removing the 2026/27 increase will:

- Reduce projected income across the life of the plan.
- Compromise funding for compliance works, energy efficiency upgrades (initial target of EPC Band C by 2030),
- Increase reliance on borrowing, which is already forecast to grow from £130m to as much as £441m over the next 30 years.

Impact on the Capital Programme

95. The 2026/27 capital programme totals £31.261m, including:

- £3.120m for new Council homes.
- £26.731mm for necessary planned refurbishment of existing stock.

96. Without the rent increase, likely consequences include:

- Deferral of essential works, risking (but not restricted to) non-compliance with Awaab's Law and Decent Homes Standard.
- Slower progress on decarbonisation targets (e.g. target of EPC Band C by 2030).
- Increased regulatory and reputational risks.

Regulatory and Legal Risks

97. Reduced income will hinder meeting obligations under:

- Awaab's Law (damp and mould remediation within strict timeframes).
- Decent Homes Standard Revisions.
- Energy efficiency requirements.

98. Failure to maintain compliance could trigger intervention by the Regulator of Social Housing.

Impact on Tenants

99. Bury Council manages approximately 7,500 properties, with over 60% of tenants receiving Housing Benefit or Universal Credit, indicating high vulnerability. While refusal avoids an average increase of £4.65 per week for social rents and £9.71 for affordable rents, it limits the ability to fund:

- Compliance works (damp and mould remediation).
- Energy efficiency upgrades to reduce fuel poverty.
- Estate improvements and safety works.
- Tenant Support services

100. Delays in these programmes disproportionately affects vulnerable tenants, who are more likely to experience poor housing conditions and health risks. Reductions in tenancy sustainment and hardship support could lead to increased arrears, tenancy failures, and homelessness.

Strategic Consequences

101. Refusal to implement the rent increase would undermine the Council's ability to deliver Bury's Let's Do It! Council Plan priorities (resilient, inclusive, sustainable communities). Long-term viability of the HRA would be further compromised, forcing a review of development ambitions and compliance programmes.

Safeguarding Implications

102. The HRA has an ongoing responsibility for the safeguarding of vulnerable people within its communities. There are no changes to current levels of support provided proposed within this report.

Public Health Implications

103. The links between adequate housing and health is well documented. The provision of social housing targets the most vulnerable people in society, who often face health challenges due to their circumstances. Secure, good-quality housing has a substantial positive impact on the quality of people's lives.
104. The recommendations in this report are considered to have positive public health implications by the management of a sustainable social housing service that incorporates investment in existing homes and the delivery of new homes. In addition to this, the report addresses critical health-related issues such as compliance with Awaab's Law, which requires timely action to tackle damp and mould hazards, and the implementation of measures to move towards meeting the target of achieving EPC Band C standards by 2030, improving thermal efficiency and reducing fuel poverty. These actions will help prevent respiratory illnesses, reduce excess winter deaths, and support overall wellbeing of tenants.

Equalities Impact of the Proposal

105. The council's budget planning framework is supported by the development of Equality Impact Assessments (EIAs) for the budget proposals, identifying possible disproportionate impact in relation to the protected characteristics as described within the Equality Act 2010. The EIAs also identify potential mitigation where applicable.
106. The provision of social housing is by its nature supportive of the most vulnerable people in society in particular with regard to economic status and age. The key proposal within the report that will have the most significant impact on residents is the rent increase. As set out in the report full consideration has been given to the financial circumstances of our tenants in relation to income and the cost-of-living pressures. Consequently, the service provides a wide range of support and assistance for our tenants in times of hardship as described in the report.

107. The increase to rent and services charges will be applied across the housing stock. The outcome of our EIA is that the increase in rent will have a neutral effect on protected groups.
108. To help support tenants on low incomes the housing service will continue to provide a number of initiatives to enable them to manage their finances and maximise their income:
- Publish clear information on rent which helps tenants to manage their own finances;
 - Signpost tenants to a relevant benefit agency to help ensure they are maximising their income to meet their living costs;
 - Take action to raise the awareness of accessing a range of welfare benefits; and
 - Provide the opportunity to access direct, in-house, support in checking they are in receipt of the welfare benefits they are entitled to claim.

Environmental and Climate Change Considerations

109. As part of the Major Works capital programme, the HRA will be looking to replace components in a thermally efficient way where possible, for example installing air source heat pumps, external wall insulation and thermally efficient windows. However, these ambitions must be balanced against longer-term financial pressures on the HRA Business Plan. The scale of investment required for decarbonisation and compliance adds significant cost pressures, alongside the need to manage overall debt.
-

Legal Implications:

Housing Revenue Account and Rents - The Local Government & Housing Act 1989 Part VI sets a statutory regime for housing finance. The Council must formulate proposals in respect of HRA income and expenditure for the financial year which on the best assumptions and estimates that the Council is able to make at the time to ensure that the HRA does not show a debit balance.

The Council is required to keep the HRA in accordance with proper practice. The Council has a general duty to review the rents of its houses from time to time and in fixing rents the Council must have regard, in particular, to the principle that the rents of dwellings of any class or description should bear broadly the same proportion to private sector market rents as the rents of dwellings of any other class or description.

The review of the rents is a Cabinet function and is undertaken with regard to the provisions of Part VI of the 1989 Act which governs housing finance and housing subsidy. Rents for council houses are a credit to the HRA and outgoings a debit. The HRA continues to be a ring-fenced account, this means that it must, in general, balance on a year-to-year basis, so that the costs of running the Housing Service, which include debt charges, administration costs and maintenance expenditure must be met from HRA income. The Council has the responsibility to determine a strategy that is designed to ensure that the HRA is balanced.

Financial Implications: Section 151 Officer Commentary

110. The HRA budget proposed for 2026/27 is balanced, however, the current 30-year HRA Business Plan is not balanced and is currently estimated to go into deficit in 2046/47. The Interest Cover ratio compares the net cost of services to the interest payable. Ideally this would exceed 1.00 and be closer to 1.25. Unfortunately, this is not achieved in most years of the plan, as greater reliance is placed on borrowing to fund the required level of capital investment. Due to the significant pressures on the HRA (in line with pressures affecting all HRAs nationally), a radical approach is needed from the start of the plan to try and drive down the cost base, whilst maintaining as efficient and effective a service as possible.
111. The recommendation that all Bury Council rents (social and affordable) will increase by 4.8% - based on the current stock of 7,600 properties for 2026/27 as per the HRA Business Plan - will result in an additional £1.75m of rental income (before void loss and bad debt) in 2026/27 compared to 2025/26.
112. At the time of the Government's consultation on future national social rent policy they set out that it will expect the following areas for expenditure to be covered by allowing rents to increase:
- Additional new housing to address homelessness.
 - Meeting the requirements of the new proposed Decent Homes Standard
 - Meeting the requirements of Awaab's Law, in respect of investigations and remedies to address damp and mould and other hazards to set timescales.
 - Meeting the requirements of carbon reduction to set timescales.
113. This report has highlighted that these expectations are not currently realistic within the forecast resource envelope and therefore efficiencies and cost reductions will need to be identified as outlined within the report.

Appendices

Appendix	Description
1	Capital Budget 2026/27 – 2028/29
2	Revenue Budget 2026/27 – 2028/29
3	HRA 30-Year Business Plan – Breakdown of Capital Expenditure Capital Financing
4	HRA 30-Year Business Plan – Operating Account Summary

Background Papers used in preparation of this report

National Social Rent Policy 2019/20 to 2023/24
The RSH (Homes England) Rent Standard
Bury Council Plan 2020-30
HRA Business Plan Model -

Appendix 1

Proposed HRA Capital Investment Plan 2026-29-29 Programme Title	2025-26	2026-27	2027-28	2028-29	TOTAL
	FORECAST	BUDGET	BUDGET	BUDGET	2026-29
	OUTTURN				
	£000	£000	£000	£000	£000
HRA Schemes	25,000	31,261	23,056	16,549	70,866
Made up of:					
Disabled Adaptations	1,892	1,200	1,200	1,200	3,600
Externals - Windows & Doors, re-pointing, Lintels etc (Re-programming and Re-provision)	954	1,885	0	0	1,885
Externals - Roofing etc - (Re-programming and Re-provision)	4,394	595	0	0	595
Internals - Kitchens & Bathrooms, Heating etc (Re-Programming & Re-provision)	1,291	1,395	0	0	1,395
Garage Colonies (Re-programming & Re-provision)	103	2	0	0	2
Communal Areas (Re-Programming, Re-provision & New Provision)	1,523	974	73	200	1,247
Garage Sites	0	100	100	100	300
Major Refurbishment Works - Sheltered Estate	0	2,000	2,000	2,000	6,000
Major Refurbishment Works - Bathrooms, WCS, Showers etc	0	775	40	924	1,739
Major Refurbishment Works - Kitchen & Kitchen Extraction	0	2,799	317	59	3,175
Major Refurbishment Works - Heating and Hot Water	0	2,015	223	33	2,271
Major Refurbishment Works - Cladding, External Decoration, Lintels, Porches etc	0	353	1,000	1,000	2,353
Major Refurbishment Works - Doors, Front Door, Rear Doors, Flat Entrance Doors	0	364	39	272	675
Major Refurbishment Works - Windows	0	969	100	224	1,293
Major Refurbishment Works - Roofing, including rainwater goods, soffits, loft insulation etc	0	420	79	152	651
Carbon Reduction Schemes - Sustainability Improvement Measures	9,338	5,600	6,000	5,500	17,100
Compliance Measures:-					
Asbestos Removal	30	250	250	250	750
Fire Risk Assessment (FRA) Type 3 Remediation Works	1,263	1,500	1,000	1,000	3,500
Boiler Replacements	140	140	140	140	420
Ad Hoc Renewals raised by Compliance Team	1,005	800	800	800	2,400
Capital Works delivered by Responsive Repairs Team:-					
Ad Hoc Renewals raised by Repairs Team	374	600	600	600	1,800
Drainage & Guttering	0	200	200	200	600
Stairlift Renewals	0	20	20	20	60
Structural Works - Various Properties	475	300	300	300	900
Asset Management Team Measures:-					
Advanced Design (Planning & Delivery)	100	125	125	125	375
Miscellaneous Renewals raised by Asset Management Team (AMT)	500	250	250	250	750

Stock Condition Surveys	200	0	0	0	0
Capitalised Salaries	858	1,100	1,100	1,100	3,300
Other Capital Elements:-					
IT Strategy - Housing Systems Upgrade/Enhancement/Replacement	0	660	100	100	860
Development:-					
New Build (The Elms)	0	500	3,500	0	4,000
Acquisitions (School Street/Seedfield)	560	2,620	0	0	2,620
Refurbishment - bringing properties back into use (Eton Hill Flats & Bronte Ave)	0	750	3,500	0	4,250
TOTAL: HRA INVESTMENT PLAN 2026-29	£25,000	£31,261	£23,056	£16,549	£70,866
FINANCING:-	-	-	-	-	-
RTB Capital Receipts - Retained	560	3,120	1,260	0	4,380
Commuted Sums (S106)	0	0	800		800
RTB Capital Receipts - Other	2,407	0	0	0	0
Revenue Contributions	0	8,500	5,250	0	13,750
Grant Income	2,330	0	1,440	0	1,440
Depreciation/Major Repairs Reserve	8,988	9,167	9,442	9,725	28,334
Borrowing	10,715	10,474	4,864	6,824	22,162
TOTAL:FINANCING	£25,000	£31,261	£23,056	£16,549	£70,866

Appendix 2

HOUSING REVENUE ACCOUNT(HRA) - HRA BUSINESS PLAN 2026-29	2025/26	2026/27	2027/28	2028/29
	Forecast Outturn	Draft Budget	Draft Budget	Draft Budget
	£m	£m	£m	£m
INCOME				
Rental Income - Dwellings	(37.103)	(38.633)	(40.516)	(42.347)
Convergence Impact	0.000	0.000	0.000	0.000
Charges for Services and Facilities	(1.067)	(1.126)	(1.160)	(1.194)
Non-Dwelling Rents	(0.181)	(0.219)	(0.219)	(0.219)
Interest and Investment Income	(0.810)	(0.664)	(0.434)	(0.395)
Contributions Towards Expenditure	(0.005)	(0.005)	(0.005)	(0.005)
Contribution from Balances	0.000	(9.081)	(5.517)	0.000
Total Income	(39.166)	(49.728)	(47.850)	(44.160)
EXPENDITURE				
Supervision and Management	12.271	12.665	12.811	12.963
Special Services	1.660	1.333	1.359	1.387
Repairs and Maintenance	9.157	11.409	11.412	11.426
Revenue Support to Strategic Investment	0.000	8.500	5.250	0.000
Depreciation/Major Repairs Reserve(MRR)	8.988	9.167	9.442	9.725
Debt Interest and Debt Management Expenses	4.179	5.293	5.875	6.153
Debt Repayment / Debt Set Aside	0.105	0.000	0.000	0.000
Bad Debt Provision	0.567	0.565	0.593	0.619
HRA Share of Corporate and Democratic Core Costs	0.400	0.418	0.426	0.435
Empty Homes Council Tax Costs	0.200	0.200	0.200	0.200
Impact of RTB changes on Allowable Debt	0.000	0.178	0.481	0.482
Contribution to Balances	1.639	0.000	0.000	0.770
Total Expenditure	39.166	49.728	47.850	44.160
Net Expenditure	0.00	(0.000)	(0.000)	0.00
HRA Reserves				
Balances Brought Forward	(16.747)	(18.386)	(9.305)	(3.788)
In-Year	(1.639)	9.081	5.517	(0.770)
Balances Carried Forward	(18.386)	(9.305)	(3.788)	(4.558)

HRA 30 Year Business Plan – Breakdown of Capital Expenditure

Appendix 3

Year		Capital Expenditure						Financing									
Year	Year	Major Works & Imps	Other Capital Spend	New Build Development Costs	Demolition Costs	Other Fixed Assets	Total Capital Expenditure	External Grant	Homes England Grant	RTB 141 Receipts	Arranged Borrowing	Other RTB Receipts	Other Capital Receipts	MRR	RCCO	Revolver Borrowing	Total Financing
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
1	2025/26	24,438	0	560	0	0	24,998	0	0	560	0	2,405	2,330	8,988	0	10,715	24,998
2	2026/27	27,230	660	3,120	250	0	31,261	0	0	3,120	0	0	0	9,167	8,500	10,473	31,261
3	2027/28	19,455	100	3,500	0	0	23,055	800	1,440	1,260	0	0	0	9,442	5,250	4,863	23,055
4	2028/29	16,448	100	0	0	0	16,548	0	0	0	0	0	0	9,725	0	6,823	16,548
5	2029/30	18,054	51	0	0	0	18,105	0	0	0	0	0	0	10,017	3,963	4,125	18,105
6	2030/31	16,772	52	0	0	0	16,824	0	0	0	0	0	0	10,318	2,909	3,598	16,824
7	2031/32	16,111	53	0	0	0	16,164	0	0	0	0	0	0	10,627	2,526	3,011	16,164
8	2032/33	18,331	54	0	0	0	18,386	0	0	0	0	0	0	10,946	2,529	4,910	18,386
9	2033/34	20,869	55	0	0	0	20,924	0	0	0	0	0	0	11,274	2,819	6,831	20,924
10	2034/35	21,289	56	0	0	0	21,345	0	0	0	0	0	0	11,612	2,967	6,766	21,345
11	2035/36	26,832	57	0	0	0	26,890	0	0	0	0	0	0	11,961	4,131	10,798	26,890
12	2036/37	23,712	59	0	0	0	23,771	0	0	0	0	0	0	12,320	2,648	8,803	23,771
13	2037/38	21,228	60	0	0	0	21,288	0	0	0	0	0	0	12,689	1,857	6,742	21,288
14	2038/39	18,132	61	0	0	0	18,193	0	0	0	0	0	0	13,070	1,590	3,533	18,193
15	2039/40	22,023	62	0	0	0	22,085	0	0	0	0	0	0	13,462	1,461	7,162	22,085
16	2040/41	22,986	63	0	0	0	23,050	0	0	0	0	0	0	13,866	1,135	8,049	23,050
17	2041/42	34,528	65	0	0	0	34,593	0	0	0	0	0	0	14,282	1,903	18,408	34,593
18	2042/43	27,951	66	0	0	0	28,017	0	0	0	0	0	0	14,710	331	12,975	28,017
19	2043/44	24,797	67	0	0	0	24,864	0	0	0	0	0	0	15,152	0	9,712	24,864
20	2044/45	36,429	69	0	0	0	36,497	0	0	0	0	0	0	15,606	0	20,891	36,497
21	2045/46	31,623	70	0	0	0	31,693	0	0	0	0	0	0	16,074	0	15,618	31,693
22	2046/47	26,172	71	0	0	0	26,244	0	0	0	0	0	0	16,557	0	9,687	26,244
23	2047/48	23,605	73	0	0	0	23,677	0	0	0	0	0	0	17,053	0	6,624	23,677
24	2048/49	34,860	74	0	0	0	34,934	0	0	0	0	0	0	17,565	0	17,369	34,934
25	2049/50	43,109	76	0	0	0	43,184	0	0	0	0	0	0	18,092	0	25,093	43,184
26	2050/51	40,941	77	0	0	0	41,019	0	0	0	0	0	0	18,635	0	22,384	41,019
27	2051/52	41,166	79	0	0	0	41,245	0	0	0	0	0	0	19,194	0	22,051	41,245
28	2052/53	34,641	80	0	0	0	34,722	0	0	0	0	0	0	19,769	0	14,952	34,722
29	2053/54	29,181	82	0	0	0	29,263	0	0	0	0	0	0	20,363	0	8,900	29,263
30	2054/55	31,374	84	0	0	0	31,458	0	0	0	0	0	0	20,973	0	10,484	31,458
31	2055/56	27,664	85	0	0	0	27,750	0	0	0	0	0	0	21,603	0	6,147	27,750
32	2056/57	0	87	0	0	0	87	0	0	0	0	0	0	87	0	0	87
33	2057/58	0	89	0	0	0	89	0	0	0	0	0	0	89	0	0	89
34	2058/59	0	91	0	0	0	91	0	0	0	0	0	0	91	0	0	91
35	2059/60	0	92	0	0	0	92	0	0	0	0	0	0	92	0	0	92
36	2060/61	0	94	0	0	0	94	0	0	0	0	0	0	94	0	0	94
37	2061/62	0	96	0	0	0	96	0	0	0	0	0	0	96	0	0	96
38	2062/63	0	98	0	0	0	98	0	0	0	0	0	0	98	0	0	98
39	2063/64	0	100	0	0	0	100	0	0	0	0	0	0	100	0	0	100
40	2064/65	0	102	0	0	0	102	0	0	0	0	0	0	102	0	0	102

HRA 30-Year Business Plan – Operating Account Summary

Appendix 4

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rental Income	37,349	39,022	40,925	42,774	44,471	47,122	47,965	49,715	51,355	52,928	55,572	55,495	56,527	57,577	58,647
Service Charge Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Void Losses	(379)	(390)	(409)	(427)	(444)	(471)	(479)	(497)	(513)	(529)	(555)	(554)	(565)	(575)	(586)
Non-Dwelling Rents	181	219	219	219	219	219	219	219	219	219	219	219	219	219	219
Charges For Services	1,067	1,126	1,160	1,194	1,230	1,267	1,305	1,344	1,385	1,426	1,469	1,513	1,558	1,605	1,653
Cont Towards Exp	7	5	5	5	5	5	5	5	5	5	5	5	5	5	5
SP Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Income	38,225	39,983	41,900	43,766	45,482	48,143	49,015	50,787	52,450	54,050	56,711	56,678	57,745	58,832	59,939
S&M - General	(12,140)	(12,665)	(12,811)	(12,963)	(13,114)	(13,441)	(13,710)	(14,017)	(14,325)	(14,631)	(14,980)	(15,241)	(15,545)	(15,856)	(16,174)
S&M - Special	(1,660)	(1,333)	(1,359)	(1,387)	(1,414)	(1,443)	(1,472)	(1,501)	(1,531)	(1,562)	(1,593)	(1,625)	(1,657)	(1,690)	(1,724)
Other Charges	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Responsive & Cyclical	(9,157)	(11,409)	(11,412)	(11,426)	(11,450)	(11,793)	(12,147)	(12,512)	(12,887)	(13,273)	(13,539)	(13,810)	(14,086)	(14,368)	(14,655)
Depreciation	(8,988)	(9,167)	(9,442)	(9,725)	(10,017)	(10,318)	(10,627)	(10,946)	(11,274)	(11,612)	(11,961)	(12,320)	(12,689)	(13,070)	(13,462)
Debt Mgmt Expenses	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)
Bad Debts	(567)	(565)	(593)	(619)	(644)	(682)	(694)	(720)	(743)	(766)	(804)	(803)	(818)	(833)	(849)
Total Expenditure	(32,758)	(35,384)	(35,863)	(36,365)	(36,884)	(37,922)	(38,896)	(39,940)	(41,005)	(42,089)	(43,122)	(44,043)	(45,041)	(46,063)	(47,108)
Net Cost of Services I&E	5,467	4,598	6,037	7,400	8,598	10,221	10,120	10,847	11,445	11,961	13,589	12,635	12,704	12,769	12,831
Corp & Demo Core	(400)	(418)	(426)	(435)	(444)	(453)	(462)	(471)	(480)	(490)	(500)	(510)	(520)	(530)	(541)
Continuing Operations (not service specific)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cost of HRA Services	5,067	4,180	5,611	6,965	8,154	9,769	9,658	10,376	10,965	11,471	13,089	12,126	12,184	12,239	12,290
Interest Received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Charges	(4,134)	(5,248)	(5,830)	(6,108)	(6,510)	(6,769)	(7,017)	(7,707)	(8,028)	(8,450)	(8,970)	(9,557)	(10,475)	(10,838)	(11,030)
G/L on Sale of HRA Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surplus / (Deficit) in Year on HRA Services	933	(1,068)	(220)	857	1,644	3,000	2,641	2,669	2,938	3,021	4,119	2,569	1,709	1,401	1,260
Provision for Debt Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Arranged Loans	(104)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Revolver	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to MRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from / (to) Other Revenue Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Other RTB Receipts Reserve	0	(177)	(481)	(482)	(483)	(484)	(485)	(485)	(486)	(486)	(487)	(487)	(487)	(488)	(488)
RCCO	(0)	(8,500)	(5,250)	(0)	(3,963)	(2,909)	(2,526)	(2,529)	(2,819)	(2,967)	(4,131)	(2,648)	(1,857)	(1,590)	(1,461)
Surplus / (Deficit) for the Year	829	(9,745)	(5,951)	375	(2,802)	(393)	(370)	(346)	(368)	(432)	(499)	(566)	(635)	(676)	(689)
HRA Surplus / (Deficit) b/f	16,747	18,386	9,305	3,788	4,558	2,185	2,197	2,210	2,269	2,372	2,477	2,584	2,693	2,775	2,830
Major Repairs Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Capital Receipts Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Repayment Provision Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RTB Receipts for Repl Homes Interest	209	222	221	258	318	333	309	331	394	459	525	593	632	644	655
Other RTB Receipts Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Account Interest	601	442	214	137	110	72	73	74	76	78	80	83	85	87	89
HRA Surplus / (Deficit) c/f	18,386	9,305	3,788	4,558	2,185	2,197	2,210	2,269	2,372	2,477	2,584	2,693	2,775	2,830	2,885

Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Year	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54	2054/55
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rental Income	59,737	62,064	62,021	63,262	64,528	65,819	67,136	69,849	69,850	71,248	72,674	74,128	77,124	77,125	78,669
Service Charge Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Void Losses	(597)	(620)	(619)	(632)	(644)	(657)	(670)	(697)	(697)	(711)	(726)	(740)	(770)	(770)	(785)
Non-Dwelling Rents	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219
Charges For Services	1,703	1,754	1,807	1,861	1,917	1,974	2,033	2,094	2,157	2,222	2,289	2,357	2,428	2,501	2,576
Total Income	61,067	63,422	63,432	64,715	66,024	67,360	68,723	71,471	71,534	72,983	74,461	75,970	79,006	79,080	80,683
S&M - General	(16,497)	(16,870)	(17,164)	(17,507)	(17,857)	(18,214)	(18,579)	(18,998)	(19,329)	(19,716)	(20,110)	(20,513)	(20,976)	(21,342)	(21,768)
S&M - Special	(1,759)	(1,794)	(1,830)	(1,866)	(1,904)	(1,942)	(1,981)	(2,020)	(2,061)	(2,102)	(2,144)	(2,187)	(2,230)	(2,275)	(2,320)
Other Charges	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Responsive & Cyclical	(14,948)	(15,247)	(15,552)	(15,863)	(16,180)	(16,504)	(16,834)	(17,171)	(17,514)	(17,864)	(18,222)	(18,586)	(18,958)	(19,337)	(19,724)
Depreciation	(13,866)	(14,282)	(14,710)	(15,152)	(15,606)	(16,074)	(16,557)	(17,053)	(17,565)	(18,092)	(18,635)	(19,194)	(19,769)	(20,363)	(20,973)
Debt Mgmt Expenses	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)
Bad Debts	(864)	(898)	(897)	(915)	(934)	(952)	(971)	(1,011)	(1,011)	(1,031)	(1,051)	(1,073)	(1,116)	(1,116)	(1,138)
Total Expenditure	(48,179)	(49,336)	(50,398)	(51,548)	(52,726)	(53,932)	(55,166)	(56,498)	(57,725)	(59,050)	(60,407)	(61,797)	(63,295)	(64,677)	(66,169)
Net Cost of Services I&E	12,888	14,086	13,034	13,167	13,298	13,428	13,557	14,972	13,810	13,933	14,054	14,173	15,712	14,403	14,514
Corp & Demo Core	(552)	(563)	(574)	(585)	(597)	(609)	(621)	(634)	(646)	(659)	(672)	(686)	(700)	(714)	(728)
Continuing Operations (not service specific)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cost of HRA Services	12,337	13,524	12,460	12,581	12,701	12,819	12,936	14,339	13,163	13,274	13,382	13,487	15,012	13,690	13,786
Interest Received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Charges	(11,415)	(11,848)	(12,831)	(13,522)	(14,038)	(15,149)	(15,980)	(16,495)	(16,847)	(17,770)	(19,104)	(20,294)	(21,466)	(22,261)	(22,734)
G/L on Sale of HRA Non-Current Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surplus / (Deficit) in Year on HRA Services	921	1,676	(371)	(941)	(1,337)	(2,330)	(3,044)	(2,156)	(3,683)	(4,496)	(5,722)	(6,807)	(6,454)	(8,571)	(8,948)
Provision for Debt Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Arranged Loans	0	0	0	0	0	0	0	(0)	(0)	(0)	0	0	0	0	0
Repayment of Revolver	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to MRR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from / (to) Other Revenue Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer to Other RTB Receipts Reserve	(488)	(487)	0	0	0	0	0	0	0	0	0	0	0	0	0
RCCO	(1,135)	(1,903)	(331)	0	0	0	0	0	0	0	0	0	0	0	0
Surplus / (Deficit) for the Year	(701)	(714)	(702)	(941)	(1,337)	(2,330)	(3,044)	(2,156)	(3,683)	(4,496)	(5,722)	(6,807)	(6,454)	(8,571)	(8,948)
HRA Surplus / (Deficit) b/f	2,885	2,942	2,974	2,962	2,643	1,846	(52)	(2,805)	(4,813)	(8,508)	(13,221)	(19,404)	(26,940)	(34,374)	(44,202)
Major Repairs Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Capital Receipts Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Repayment Provision Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RTB Receipts for Repl Homes Interest	667	655	604	541	476	410	342	274	204	133	61	12	(0)	(0)	(0)
Other RTB Receipts Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Reserve Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating Account Interest	90	92	85	81	64	22	(51)	(126)	(216)	(350)	(523)	(741)	(980)	(1,256)	(1,582)
HRA Surplus / (Deficit) c/f	2,942	2,974	2,962	2,643	1,846	(52)	(2,805)	(4,813)	(8,508)	(13,221)	(19,404)	(26,940)	(34,374)	(44,202)	(54,732)