

ITEM 7 - HOUSING REVENUE ACCOUNT BUDGET AND RENTS 2026/27

COMMENTS ON THE HOUSING REVENUE ACCOUNT BUDGET AND RENTS 2026/27 REPORT MADE BY THE CORPORATE SCRUTINY COMMITTEE AT ITS MEETING ON 22 JANUARY 2026

Date considered by Cabinet: 3 February 2026

| | Comments/recommendations from scrutiny | Advice provided by officers at the meeting | Cabinet response |
|-----------|---|---|------------------|
| C1 | Does the use of a debt payment reserve represent the best approach for a well funded HRA and best use of resources. | Work is ongoing with Savills in updating the business plan. This option will be explored as part of that work. | |
| C2 | Total borrowing over three years is £9m less than last year's budget. Please clarify how this will be funded. Last year, Labour requested a new supply budget closer to £18m compared to this year's £15.1m. The current budget allows for flexibility and monitoring if additional supply becomes available. | The capital programme is based on existing schemes and projected costs. The Council may consider partnerships or acquisitions to boost supply and will address developments as they arise, subject to proper approval. | |
| C3 | The fleet replacement budget has seen a significant rise this year, reaching £2.7 million. What is the reason for such a substantial increase in this year's allocation? | <p>We are expanding our internal services, which requires us to acquire additional vehicles to accommodate the increased number of staff.</p> <p>Additionally, our current fleet is aging, impacting our ability to deliver services efficiently. Although it may appear that all funding is allocated for the upcoming financial</p> | |

| | | | |
|-----------|--|--|--|
| | | year, in practice, expenditures are likely to be spread over the next two years. Upcoming reports will address whether it is more advantageous to purchase or lease these vehicles. The proposal is nearing final approval, which has enabled us to include detailed plans in the capital program | |
| C4 | How much of the vehicles budget is going on electric vehicles? | As part of the vehicle review, we will consider various options with an emphasis on reducing carbon emissions. We must also address the infrastructure required to charge electric vehicles. Independent research has already been conducted and will be incorporated into the upcoming proposals. | |