

Public Document Pack

Daneshill House
Danestrete
Stevenage
Hertfordshire

13 January 2026

Dear Sir/Madam

Notice is hereby given that a meeting of the Stevenage Borough Council will be held in the Council Chamber, Daneshill House, Danestrete, Stevenage on Wednesday, 21 January 2026 at 7.00pm and you are summoned to attend to transact the following business.

Yours faithfully

Tom Pike
Chief Executive

AGENDA

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

2. MINUTES - 17 DECEMBER 2025

To approve as a correct record the Minutes of the meeting of the Council on held on 17 December 2025.

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3. MAYOR'S COMMUNICATIONS

To receive any communications that the Mayor may wish to put before the Council.

4. COMMUNITY PRESENTATIONS

None received.

5. PETITIONS AND DEPUTATIONS

None received.

6. QUESTIONS FROM THE YOUTH COUNCIL

None received.

7. QUESTIONS FROM THE PUBLIC

None received.

8. LEADER OF THE COUNCIL'S UPDATE

In accordance with the Council's Standing Orders, the Leader of the Opposition shall be given the opportunity to raise one matter relevant to the Borough that has arisen since the last meeting of the Council. The Leader of the Council shall then have the opportunity to advise the Council of matters relevant to the Borough that have arisen since the last meeting.

9. UPDATE FROM SCRUTINY CHAIRS

To receive updates from the Chairs of the Scrutiny Committees on the recent activities of those Committees.

10. NOTICE OF MOTIONS

In accordance with Standing Orders, the following motions have been received for consideration:

(1) Care Experience as a Protected Characteristic

To be moved by Councillor Coleen De Freitas

This Council welcomes the changes already made to Government guidance, in that it removes the local connection requirement for care leavers when applying for and being allocated local social housing. The Council will ensure that guidance and support will be given to care leavers in accordance with its legal and statutory responsibilities.

This Council notes that:

- a) care experienced people face significant barriers that impact on them throughout their lives. Care leavers make up 25% of Britain's young homeless population, and adults who have spent time in care are far more likely than their peers to die prematurely.
- b) despite the resilience of many care experienced people, society too often does not take their needs into account and care experienced people often face direct and indirect discrimination in many areas of life, including housing, health, education, relationships, employment and criminal justice.
- c) the Public Sector Equality Duty requires public bodies, such as councils, to eliminate unlawful discrimination, harassment, and victimisation of people with protected characteristics.
- d) current Care Leaver provision ends at age 25, whereas recognition of care experience as a protected characteristic would mean that care experience would be taken into account for a lifetime – in the same way as the discrimination and hardships resulting from care experience last a lifetime.

This Council therefore resolves that:

1. it recognises that care experienced people are a group who are likely to face discrimination and will treat care experience as if it were a protected

characteristic, and expects councillors and Council staff to challenge negative attitudes and prejudices towards care experienced people.

2. Equality Impact Assessments relating to any future decisions, services and policies made and adopted by this Council will now also include impact of changes on people with care experience, alongside those who formally have a protected characteristic.
3. requests that the Chief Executive undertakes an assessment of current policies and service areas provided by Stevenage Borough Council to determine impact, including any financial impact, of this policy change.
4. in its delivery of the Public Sector Equality Duty, this Council will include care experience in the publication and review of Equality Objectives and the annual publication of information relating to people who have a protected characteristic in services and employment.
5. this Council formally calls upon all other bodies, including other local authorities in Hertfordshire, to treat care experience as a protected characteristic until such time as this recognition may be introduced by legislation.
6. this Council will proactively seek and listen to the voices of care experienced people when developing new policies.

(2) May's local elections in Stevenage must go ahead

To be moved by Councillor Andy McGuinness

This Council understands the importance of having a replenished electoral mandate from the people of Stevenage which can only come through the ballot box. This Council also affirms the sanctity of elections which should only be cancelled in the most extreme of circumstances. Therefore, this Council believes that the scheduled local elections for Thursday 7th May 2026 in Stevenage should continue as planned and there is no current compelling reason, linked to local government reorganisation, to cancel them.

(3) Motion: Practical Environmentalism – Delivering Cleaner Streets and Better Value for Residents

To be moved by Councillor Mason Humberstone

This Council notes that:

1. Stevenage Borough Council declared a "Climate Emergency", committing officer time and financial resources to strategies and targets largely outside the Council's direct control.
2. Residents consistently identify cleaner streets, safer parks, reduced fly-tipping and better maintenance of public spaces as higher priorities than aspirational, costly and unrealistic climate declarations.

3. This Council faces ongoing financial pressures, including debt, which require a sharper focus on value for money and frontline delivery.

This Council believes that:

1. Environmental policy should focus on practical, visible improvements to the local environment rather than symbolic declarations.
2. Council resources should be directed toward outcomes residents can see and feel in their daily lives.
3. A cleaner, safer and well-maintained town is the most effective form of local environmentalism.

This Council resolves to:

1. Rescind the Council's Climate Emergency declaration and discontinue non-statutory programmes, strategies and reporting arising from it.
2. Redirect all associated funding and officer time toward:
 - Reducing Council debt;
 - Strengthening frontline services;
 - Improving core environmental enforcement and maintenance.
3. Adopt a "Practical Environmentalism" approach, prioritising:
 - Stronger enforcement against fly-tipping, including increased use of Fixed Penalty Notices and prosecutions;
 - Enhanced street cleaning, litter removal and waste enforcement;
 - Improved maintenance of parks, play areas and community spaces;
 - Faster response times to environmental complaints.
4. Report annually to Full Council on:
 - Environmental enforcement outcomes;
 - Cleanliness and maintenance standards across the town;
 - Savings achieved and how they have been reinvested in frontline services.

11. QUESTIONS FROM MEMBERS TO CHAIRS/PORTFOLIO HOLDERS

in accordance with Standing Orders, written answers to the following questions will be circulated on a supplementary agenda.

(A) Question from Councillor Julie Ashley-Wren

Fire brigades nationally have been warning about the increasing danger of fires from lithium-ion batteries in e-scooters and home modified e-bikes. The London Fire Brigade recently announced there have been 169 e-bike and 36 e-scooter fires in the capital up to the end of September, sadly resulting in two fatalities

What proactive action is the Council taking to reduce the risks of these serious fires in our council properties, and in particular within our flat blocks?

(B) Question from Councillor Robin Parker

The SBC website states that Chronicle magazine is delivered up to 5 times a year. How many times was it actually delivered in 2023, 2024 and 2025; how many addresses were missed each time; what checking was done (and how) to obtain these figures; what remedial action is taken for missed addresses?

(C) Question from Councillor Stephen Booth

Regarding the new food waste disposal scheme, I understand that DEFRA will be covering the initial set-up costs of this, the Government's so-called "Simpler Recycling" scheme, how will ongoing and annual service costs be met and how much will this amount to annually? Given that waste collection authorities may decide "frequency and methodology for collection in a way that meets local needs and provides value for money for taxpayers" what consideration has been given to alternative collection methods to that proposed by the Council?

(D) Question from Councillor Peter Wilkins

The Council website states it aims to remove offensive graffiti before other graffiti, and within one day of receiving a report, and all other graffiti within five days. Can you provide data that shows the councils performance against these standards for removing graffiti and offensive graffiti?

(E) Question from Councillor Andy McGuinness

What costs have been already incurred by the Council and how much officer time has been taken up in dealing with Local Government Reorganisation in Hertfordshire?

(F) Question from Councillor Tom Wren

At the council meeting held on 24th July 2019 I asked a question asking for figures for the number of council trees felled and replanted in the proceeding 3 years. This showed the council was not meeting it's pledge to plant replacements trees nearby for all felled trees. Please could the same figures be provided for each year 2020-2025.

(G) Question from Councillor Rob Henry

Does the Labour administration agree with me that free, fair, and open elections are fundamental to our democratic process and must be protected without exception?

(H) Question from Councillor Mason Humberstone

Can this administration explain what it is doing to ensure that local infrastructure and essential services are not overwhelmed by the increasing number of new developments in our town?

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12. HRA BUDGET AND RENT SETTING 2026/27

To update Members on the proposals for the Housing Revenue Account (HRA) budgets and rent setting for 2026/27.

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Agenda Item 2

STEVENAGE BOROUGH COUNCIL

COUNCIL MINUTES

Date: Wednesday, 17 December 2025

Time: 7.00pm

Place: Council Chamber

Present: Councillors: Nazmin Chowdhury (Mayor), Lloyd Briscoe, (Deputy Mayor), Myla Arceno, Julie Ashley-Wren, Philip Bibby, Stephen Booth, Robert Boyle, Leanne Brady, Rob Broom, Jim Brown, Kamal Choudhury, Peter Clark, Alistair Gordon, Lynda Guy, Richard Henry, Jackie Hollywell, Mason Humberstone, Lin Martin-Haugh, Andy McGuinness, Robin Parker CC, Claire Parris, Ellie Plater, Tom Plater, Ceara Roopchand, Loraine Rossati, Simon Speller, Jeannette Thomas, Carolina Veres, Peter Wilkins, Nigel Williams, Jade Woods and Tom Wren

Start / End Time: Start Time: 7.00pm
End Time: 9.45pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for Absence were received from Councillors Sandra Barr, Forhad Chowdhury, Coleen De Freitas, Akin Elekolusi and Sarah Mead

Councillors Claire Parris, Loraine Rossati, Myla Arceno, Peter Wilkins, Tom Wren and Robin Parker declared the following interest in Item 10 – Notice of Motions – Renters Rights Act 2025:

‘For the purposes of transparency I wish to declare that I am a landlord/or tenant but as the motion on renters rights does not directly relate to my Disclosable Pecuniary Interest nor will it impact on my ability to uphold the Nolan Principals I intend to participate and vote on it this evening.’

2 MINUTES - 15 OCTOBER AND SPECIAL MEETING 17 NOVEMBER 2025

It was **RESOLVED** that the Minutes of the Council Meeting on 15 October and Special Meeting on 17 November 2025 be approved as correct records and signed by the Mayor.

3 MAYOR'S COMMUNICATIONS

The Mayor congratulated and welcomed Councillor Rob Henry who had been elected in the Roebuck Ward at the recent By-Election. Councillor Richard Henry, Leader of the Council welcomed Rob and congratulated him on his election. Councillor Rob Henry thanked the Mayor and Leader for their welcomes.

The Mayor spoke about the recent terrible event in Australia on Bondi Beach resulting in 15 people losing their lives. She asked Council to stand for a moment of reflection for those affected by the incident.

The Mayor then referred to a number of events she had attended since October which included:

- A tour of Parliament with Councillor Dermot Kehoe and Kevin Bonavia MP including the opportunity to sit in a House of Commons debate;
- A number of Diwali events;
- The High Sheriff of Hertford's Justice Service;
- The Stevenage ladies Choir Jingle Bells Rock concert with Councillor Jim Brown;

The Mayor advised that as Christmas approached, she was proud of coming from a mixed heritage family celebrating Christmas, Diwali, Eid and other festivals and recognised how powerful it was when different cultures came together enriching lives.

4 COMMUNITY PRESENTATIONS

There were no community presentations.

5 PETITIONS AND DEPUTATIONS

There were no petitions or deputations.

6 QUESTIONS FROM THE YOUTH COUNCIL

The Youth Mayor and Deputy Youth Mayor gave an update on their recent work.

Since starting in May 2025, they had attended a number of council and community events including attending Goodwood's Festival of Speed, being invited to the Rotary Club's Winter Ball and being VIPs at the Dick Whittington and his Cat Pantomime at the Gordon Craig Theatre.

The Youth Mayor and Deputy Youth Mayor had shared their thoughts and ideas as part of the working party group shaping the Youth Advisory Board & Youth Action Group and agreed to take part in all Schools' Parliament meetings to ensure primary schools were connected with them and they recently used a community event to hear directly from young people in Stevenage and to share what they did in their roles.

The Youth Mayor and Deputy Youth Mayor advised that they had asked the Mayor and Councillor Coleen De Freitas to support them in offering assemblies to secondary schools with a focus on the importance of voting, education and celebrating differences and they hoped that schools would be keen to book them in.

They advised that they were looking forward to continuing their work in 2026.

QUESTIONS FROM THE PUBLIC

The Council noted that a response to the question submitted by Jennifer Huygen regarding lighting in Fairlands Valley Park had been published in the supplementary agenda for the meeting.

Jennifer Huygen was present at the meeting and asked the following supplementary question:

Does the Council agree that outdoor safety for all residents, particularly women and girls was a priority and that therefore the lighting in Fairlands Valley Park should be implemented as soon as possible and could the Council clarify when the park would have the wildlife friendly lighting installed to ensure that residents did not have to spend another winter avoiding this key active travel route in the Town.

Councillor Rob Broom, Portfolio Holder for Environment, thanked Ms Huygens for her patience with what had been a long process. He advised that the investigations and drawing together the information around the bat report were currently underway and he envisaged that the Council would reach an informed decision which strived to balance public safety, resource pressures and ecological considerations in the park. He invited Ms Huygens to a meeting in the new year to discuss the findings and hopefully arrive at a sustainable and amicable outcome for all.

LEADER OF THE COUNCIL'S UPDATE

The Leader of the Opposition, Councillor Stephen Booth, asked the following question:

Does the Leader of the Council think it acceptable to build blocks of flats to house families in order to fulfil the Government's demand that the country builds 1.5million homes in a town where homes once meant houses with separated bedrooms and gardens for children?

The Leader of the Council referred to the housing crisis in the country and reminded Councillor Booth that the Council was building houses as well as flats across the town.

The Council then received updates from the relevant Cabinet Portfolio Holders on the following matters:

- Digital Strategy and Frequency Coffee;
- BIZ4BIZ Awards and New Mentoring Opportunities;
- National plan to end homelessness and the development at Dunn Close;
- Park Visits;
- Community Select Committee and Older People;
- Tenant Consultation;
- County Lines;
- Stevenage 80th Anniversary;
- LGR Update and Indoor Market and new Engineering Campus.

UPDATE FROM SCRUTINY CHAIRS

Councillor Jim Brown, Chair of the Overview & Scrutiny Committee, provided updates for Council from the meetings held since the Council meeting in October:

He advised that alongside the scheduled meetings, a number of informal in-depth meetings had been held to cover its work programme items. Items considered at those meetings included the following and Members asked a number of questions regarding these items:

- The Council's Local Government Reorganisation submission, including how the modelling for each option had been established; the financial challenges under each option; the impact on prospective candidates who worked for legacy authorities; clarity on foundation authorities and various impacts of aggregation and disaggregation of each authority's debts and assets;
- Five finance reports including; (i) 2nd Quarter monitoring report for the general fund, (ii) HRA and capital, Mid-Year Treasury Management Review, (iii) Council Tax Support Scheme, (iv) Balancing the Budget priorities for 2026/27 and (v) upgraded 30 Year HRA Business Plan;
- Management of Estates and Neighbourhoods Policy and the Housing Re-Charge Policy;
- Annual Report of Equalities, Diversity & Inclusion and Action Plan Progress Update and
- Part II items relating to the Station Gateway and an urgent decision relating to Claxton House;
- Corporate Communications and Marketing and the Member Enquiries YourSay system.
- Two further finance reports on the Council Tax Base 2026/27 and Housing Revenue Account (HRA) Draft Budget and Rent Setting for 2026/27;
- Relocation of Lister Hospital Taxi Rank;
- Corporate Performance Q2 2025-26;
- Digital Strategy
- Two Part II reports relating to the Leisure Management Contract and Fire Doors in the Council's Flat Blocks and Housing Stock

The Chair of the Community Select Committee, Councillor Ellie Plater advised that the Committee had received the interim report and recommendations of the review of Equalities, Diversity and Inclusion. A number of recommendations were made which focussed on:

- encouraging a more diverse range of people involved in community leadership roles;
- Increased collaboration between Members and the Equalities Commission Legacy Group;
- Voices and lived experience of the trans community would be invited into discussions and events to help combat misconceptions and hatred;
- Carrying out an audit of the provision of benches and seating in the town centre;
- Addressing concerns around digital exclusion for older people alongside concerns raised by Age Concern around the lack of provision of mobility scooter

- hire service from the bus interchange;
- Addressing the needs of young people by supporting extracurricular activities in schools and in the community via sports, interests and social clubs; supporting neurodiversity to encourage better collaboration between the Council and external mental health experts and addressing the needs of the sight loss community regarding street furniture and accessibility screens in the bus interchange.

The final recommendations would be formally agreed by the Committee and sent to the Cabinet Portfolio for Equalities for formal response in due course.

The Committee had also held a meeting focused on services directed at Older People and had made the following observations:

- Linked to the Age Friendly Hertfordshire initiative there was a commitment to audit the number of rest stops in the town. Officers had carried out an audit and found that there were a large amount of benches in the town;
- Members had heard some concerning statistics regarding the number of over 65s who had a dementia diagnosis and linked to this welcomed the work the Council was involved in, in partnership with the Alzheimer's Society, to provide the taxi trade with dementia training;
- the work that diverse business units and officers across the Council were providing with regards to supporting older people including Sheltered housing, communities and neighbourhoods, health and leisure services was welcomed. The provision of modern bespoke sheltered accommodation such as Brodie Court was proving very popular with older people.

Councillor Leanne Brady, Chair of the Environment & Economy Select Committee advised that an informal meeting including a presentation from the Lead officer had been held focussing on Climate Change. The focus of the presentation and discussion was on the annual climate change report to Cabinet and included clarification of how the Council was meeting its targets.

A further meeting had been held to consider the draft report and recommendations on the review of recycling in flat blocks. She advised that the key finding was that there was not a 'one size fits all approach' that could be adopted to deliver recycling in the flat blocks, each flat block and location requiring a bespoke approach, making it complicated to deliver.

The Review made a number of recommendations including:

- The promotion of recycling champions and work with young residents;
- The use of large, infographic stickers on bins to differentiate recycling bins;
- At Bring Bank sites consider the use of mobile CCTV to enable follow up actions including education and civil prosecution;
- Measures to counter fly-tipping around bin stores; and
- Use of easy to understand and easy to do recycling methods at flat blocks.

Following the updates, the Leader of the Council thanked the three Scrutiny Chairs for the important work undertaken by their committees and reminded members of

the Council's commitment to scrutiny through resources and funding. He also advised that he and the Deputy leader had recently met with the three chairs and recommendations on improvements to the work and the programme were with officers for consideration.

10 **NOTICE OF MOTIONS**

Renters Rights Act 2025

Councillor Jackie Hollywell moved the following motion:

'This Council welcomes the Renters' Rights Act 2025 — long-overdue reform that finally puts renters' rights first. The Act, coming into force in May 2026, ends "no-fault" Section 21 evictions, creates open-ended periodic tenancies, strengthens repair standards, and gives renters clearer routes to challenge unfair rent increases.

For the estimated 5,000 households who privately rent in Stevenage, this legislation means real security: no more being pushed out of their homes with two months' notice, no more landlords dodging their responsibilities, and no more uncertainty about the basics — safe homes, fair rents, and predictable tenancies.

Since 1980, there has been a drastic reduction in the amount of social housing in Stevenage and the UK. A significant number of those homes are now owned by private landlords and the residents pay higher rents with fewer rights than they would have had as social housing tenants.

Labour councillors have consistently argued for these changes, and the Act finally delivers many of the reforms for which renters have waited years, including:

- Abolition of fixed-term assured shorthold tenancies (ASTs) and the move to periodic tenancies, giving renters more stability and choice.
- Stronger legal duties on landlords to maintain homes, tackle hazards and carry out timely repairs.
- Limits on advance rent and fees, so renters are not forced into financial insecurity simply to secure a home.
- A clear right to request pets, with landlords needing a good reason to refuse.
- New enforcement powers for councils — expanded civil penalties, better investigatory tools, and required reporting of enforcement activity.
- A national landlord database, improving transparency and helping councils tackle criminal and rogue landlords.

This Council resolves to:

1. Actively promote renters' new rights — making sure tenants know how to use them, how to report poor conditions, and how to challenge illegal behaviour.
2. Set clear expectations for landlords and letting agents, explaining their new duties under the Act and what full compliance looks like in Stevenage.
3. Strengthen the Council's enforcement capacity so that we are ready from day one to act against unlawful evictions, sub-standard homes and non-compliant landlords.
4. Write to the Minister for Housing, welcoming the introduction of long-overdue

protections for renters, and suggesting that additional funding for councils will be needed to do justice to this Act and achieve the Government's ambitions for renters.

5. Champion renters locally, ensuring that Stevenage leads the way in delivering a fairer, safer and more secure private rented sector.

In moving the motion, Councillor Hollywell advised that she welcomed this new legislation which had received Royal Ascent in October and would come into force in May 2026. The Act was important to the well-being of residents, and represented the most significant expansion of tenant protections in many years, improving housing standards and the creation of a fairer relationship between landlords and renters.

She advised that the Act would abolish no fault evictions, ensuring that landlords could no longer remove tenants without a valid reason, giving families stability. The Act also ended fixed term contracts replacing them with rolling tenancies. Although there was some concern about the reduction to the rights of landlords, she advised that good landlords would have no concerns as they should already be complying with the legislation.

In seconding the Motion, Councillor Peter Clark advised that the Act provided a transformative platform for the private rented sector for stability and mutual respect between landlords and tenants. Stable tenancies would also foster stronger neighbourhood ties and social cohesion and help to ensure more stable school life for children

Councillor Booth, Leader of the Opposition advised that he welcomed the legislation and the Lib Dem Group would be supporting the motion but expressed disappointment that the Labour Government had not introduced the Legislation earlier in their term.

A number of other Members spoke mainly in support of the motion and made the following comments:

- Importance was stressed regarding the fundamental nature of a secure home;
- The number of reasonable tenants with unscrupulous landlords far outweighed the number of unscrupulous tenants;
- The Council must ensure that the level of staff and resources was sufficient to address the new enforcement responsibilities on the Council;
- The Act failed to properly consider and address the adverse impact this would have on the housing market;
- The Act would result in fewer homes to rent and higher rents;
- Additional burdens would be placed on an already stretched council budget;
- The Motion reflected the Government's action on delivering a manifesto commitment. The security for private renters should result in a reduction in homelessness, the need for homelessness prevention and a reduction in people calling on the Council services

Following further debate, Councillor Hollywell, thanked Members for their contributions.

Upon being put to the vote, the Motion was carried.

A Green Enterprise Partnership and Incentive Scheme in Stevenage

Councillor Peter Wilkins moved the following motion:

This Council notes that:

- Forward thinking local authorities throughout the UK are providing incentives and encouragement for local businesses to introduce innovative sustainability schemes in partnership with industry experts.
- Through this collaboration local businesses can reduce their environmental impact and reinvest savings in sustainability.
- Central to this success is the **GO GREEN scheme**, the UK's first green tax incentive for SMEs, funded by the Government's shared prosperity fund.

This Council believes that:

- Stevenage must take proactive steps to support local businesses in reducing carbon emissions to achieve net-zero targets.
- A scheme similar to the award-winning GO GREEN scheme introduced by Sutton Council would strengthen the local economy, encourage sustainable practices, and demonstrate leadership in environmental innovation.

This Council therefore resolves to:

1. Commission a report into establishing a Green Enterprise Partnership in Stevenage, engaging with local business networks, sustainability organisations and strategic partners.
2. Investigate the introduction of a GO GREEN-type incentive, providing significant business rates relief to SMEs that commit to measurable carbon reduction plans.
3. Develop a comprehensive roadmap for supporting businesses in transitioning to sustainable operations, including access to expert advice, certification schemes and reinvestment opportunities.
4. Report back to Full Council within six months with findings, recommendations and an implementation plan for Stevenage's own Green Enterprise Partnership.

In moving the Motion, Councillor Wilkins advised that Stevenage had always been a town that led from being the UK's first new town to hosting worldclass science and technology firms and that innovation was key to the Town. This motion outlined an opportunity to build on that legacy and set the direction for sustainability. He advised that the London Borough of Sutton had adopted a Go Green Scheme which was the UK's first green tax incentive for local enterprises and had helped local businesses to cut carbon emissions by up to 30% in 2years while unlocking thousands of pounds worth of savings that could be reinvested into further sustainability measures. The motion proposed that Stevenage investigate and look at the feasibility of introducing a green enterprise partnership to bring together local

businesses and sustainability experts to provide practical support, expert advice and incentives to reduce carbon emissions and work towards net zero. Significant business rate relief would be given to businesses to achieve these goals as studies showed that sustainable businesses were 21% more profitable on average and that councils that led on green innovation attracted new investment and jobs into the area.

In seconding the Motion, Councillor Stephen Booth advised that the key dates for net zero loomed closer and this motion outlined a scheme which could help to achieve the target. Schools would be encouraged to get involved and funds would be available for businesses under the UK Shared Prosperity Fund to help businesses get on board. The scheme was designed to curb energy consumption, encourage cleaner energy and encourage businesses to embrace sustainability.

During further debate, the following points were raised:

- Carbon reduction was essential but the proposed scheme would duplicate many existing provisions whilst also creating potential financial risks for the Council;
- A number of business support mechanisms were already in place including green business grants, SmartGo Stevenage and a winter action zero programme outnumbering the businesses supported by the London Borough of Sutton;
- The reduction of business rates at a time of ongoing pressure on local authorities finances would impact the Council's ability to fund essential services;
- Advice was also available to local businesses through the Hertfordshire Growth Board;
- The Council already supported businesses through a number of programmes including 200 funded gold memberships with the aim of enabling local businesses achieve net zero;
- The business rates reduction would incentivise local businesses to adopt carbon reduction initiatives.

Upon being put to the vote, the Motion was lost.

Protecting Family Homes and Community Cohesion in Stevenage

Councillor Rob Henry moved the following motion:

This Council notes that:

1. Residents have raised concerns about the use of hotels and Houses in Multiple Occupation (HMOs) within Stevenage to accommodate people arriving via irregular migration routes and other Government placement schemes.
2. The conversion of family homes into HMOs can place pressure on parking, waste services, community cohesion, anti-social behaviour management, and the supply of family housing across the town.
3. Stevenage Borough Council has existing powers in relation to licensing, enforcement, and planning policy, including the ability to review and amend Article 4 Directions.

This Council believes:

1. Stevenage residents should receive clear information on how temporary accommodation is being used locally and the impact on services.
2. The Council should use its planning and housing powers to protect residential balance and prevent inappropriate HMO proliferation.

This Council resolves to:

1. Publish a quarterly summary, open and accessible to Members and residents, outlining:
 - The number of placements made into local hotels or HMOs via Home Office or other external schemes;
 - The general type of accommodation used (hotel, HMO, other);
 - Any direct costs to the Council or local services.
2. Write to the Home Office and other responsible agencies requesting routine, timely communication with the Council regarding local placements to support service planning.
3. Undertake a review of existing HMO licensing and enforcement, with the aim of:
 - Identifying unlicensed HMOs;
 - Ensuring compliance with safety, amenity and management standards.
4. Amend or expand Article 4 Directions where evidence shows:
 - A concentration of HMOs is affecting residential amenity, parking or local services;
 - Family housing stock is being reduced and community cohesion is or at risk of being impacted.
5. Update local planning guidance so that new HMO applications must clearly demonstrate:
 - Adequate room sizes and waste storage;
 - Sufficient parking provision;
 - Effective management arrangements.

In moving the Motion, Councillor Rob Henry advised that during his election campaign the local residents in his ward had raised concerns about the use of hotels and houses in multiple occupation (HMO's) to accommodate people arriving by irregular migration routes and other Government placement schemes. The conversion of family homes into HMO's put pressure on parking, waste services, community cohesion and antisocial behaviour management which should be a concern for all Members. The Council had existing powers in relation to licensing and enforcement and planning policy and had the ability to review and amend Article 4 directions, a planning tool for Councils to remove specific permitted development right in defined areas. Residents should be given clear information from the Council on how temporary accommodation was being used and the impact this use had on services. The motion would help the Council manage the reality of the current situation that the town faced using existing legislation.

Councillor Mason Humberstone seconded the motion. He advised that the intention of the motion was to put Stevenage residents first. The Council had failed to use its powers to respond to the use of HMOs. Unlicensed and poorly managed HMOs undermined neighbourhoods and damaged community cohesion and this motion

aimed to restore balance to the town. He advised that quarterly public reporting on placements, accommodation types and costs was a standard the Council should comply with.

During further debate, the following points were raised:

- A councillor felt that there was a disconnect between the Home Office requirements of HMOs used to house asylum seekers and council requirements;
- It was inappropriate to house asylum seekers locally in hotels and HMOs and also ex-military sites. The answer was for robust immigration controls;
- The motion was not reasonable as it was deeply cynical with a misleading focus on HMOs. The Council had no powers to decide who would occupy such properties in private ownership;
- The existing licensing powers on HMOs required stock condition surveys to be undertaken. Stevenage did not have a high number of these properties and any issues were addressed by the enforcement team including gas and electrical safety and the maintenance of heating, lighting and sanitation alongside overcrowding issues;
- The motion did not reflect reality as the HMOs within the town were less than 1% of dwellings in Stevenage;
- The Council had strong, robust controls, compliant with national law in relation to the properties and every new HMO reflected these;

Upon being put to the vote, the Motion was lost.

11

QUESTIONS FROM MEMBERS TO CHAIRS/PORTFOLIO HOLDERS

The Council received eight questions from Members to Committee Chairs/Portfolio Holders.

The responses to the eight questions had been published in the supplementary agenda for the meeting.

(A) Question from Councillor Peter Wilkins re: Air Quality Monitoring

Supplementary question –the existing Local Air Quality Plan had been produced in 2003. What progress have we made on developing a new plan?

The Portfolio Holder advised that he would provide a written response to Councillor Wilkins.

(B) Question from Councillor Phil Bibby re: compensation for market stall holders

Supplementary question – although individual accounts had been looked at, how flexible was the Council given the constraints that some traders were under particularly in respect of supply chain issues, in relation to communicating the availability of compensation to stall holders.

The Portfolio Holder for Resources advised that all stall holders were being encouraged to apply for any additional compensation that they may need and

the Town Centre manager had been in communication with them. Each application would be dealt with on its merits and would be treated fairly.

(C) Question from Councillor Robin Parker regarding: mechanical sweeper

Supplementary question – when was the new sweeper purchased, when did it start being used and what proportion of the Borough had been covered and had the number of complaints reduced?

The Portfolio Holder advised that he would ask officers to respond to Councillor Parker as a review of fleet vehicles was currently underway.

(D) Question from Councillor Stephen Booth regarding: Council employees

Supplementary question – Councillors should be advised on a regular basis about staff turnover and not have to utilise the MyView system.

The Portfolio Holder for Resources advised that additional training on the MyView application was available if Members felt this was needed.

(E) Question from Councillor Tom Wren regarding: commercial property tenants

Supplementary question – there is currently a nationwide problem with commercial properties being used for money laundering and other illegal activities. Does the Portfolio Holder believe the Council has adequate clauses within its tenancy agreements to be able to terminate them when there was relevant evidence.

The Portfolio Holder confirmed that the Council did have the adequate clauses to address these issues.

(F) Question from Councillor Andy McGuinness regarding: the Major Refurbishment Works

Supplementary question – over 300 leaseholders had not yet received bills for the works and the uncertainty was having a detrimental impact on people's lives. How much is this costing the Council due to invoicing delays?

The Portfolio Holder for Housing advised that she would respond to Councillor McGuinness in writing with a fully detailed response.

(G) Question from Councillor Rob Henry regarding: Council Finances

Supplementary question – is there a timescale to reduce the level of debt?

The Portfolio Holder advised that the HRA debt was a 30 year plan and the General Fund was over a much shorter period of time.

(H) Question from Councillor Mason Humberstone regarding: Community Cohesion

Supplementary question – will the Leader of the Council confirm that he was against any attempt to house illegal migrants in HMO's in the Town?

The Portfolio Holder for Stronger Communities advised that the Council did not have any powers over private landlords and who could and could not be housed in private HMO's.

12 **MID YEAR TREASURY MANAGEMENT REVIEW 2025/26 AND PRUDENTIAL INDICATORS**

The Council considered a report updating Members on the Treasury Management activities in 2025/26 and review effectiveness of the 2025/26 treasury Management and Investment Strategy including the 2025/26 prudential and treasury indicators. It was noted that the report had been endorsed by both the Audit Committee and the Cabinet.

It was moved by Councillor Jeannette Thomas, and seconded by Councillor Carolina Veres, that the Recommendations in the report be approved.

Upon the motion being put to the vote, it was **RESOLVED** that the 2025/26 Mid-Year Treasury Management Review, revised Minimum Revenue Provision Policy and Prudential indicators report be approved.

13 **COMMITTEE MEMBERSHIPS - UPDATE REPORT**

The Council considered a report requiring a review of the Committee Memberships on the Council following the constitution of a new political group on the Council and in accordance with Regulation 17 of the Local Government (Committees and Political Groups) Regulations 1990.

It was moved by Councillor Richard Henry, and seconded by Councillor Jeannette Thomas, that the Recommendations in the report be approved.

At this juncture Councillor Andy McGuinness thanked Councillor Booth for his service as Leader of the Liberal Democrat Group as Councillor Booth would be stepping down from 1 January 2026. Councillor Richard Henry and the Mayor also thanked Councillor Booth for his work and congratulated Councillor McGuinness on his appointment as Leader of the Group.

Upon the motion being put to the vote, it was **RESOLVED**

1. That the current Committee Memberships following the constitution of a new political group on the Council be reviewed.
2. That the size and political composition for the following bodies that form the non-Executive Member level decision making structure of the Council be approved, subject to the rules of proportionality where appropriate for 100 Committee places where applicable (relevant Committees are identified thus*)

- Overview and Scrutiny Committee* – 14 Members (11 Labour Members, 2 Liberal Democrat Member, 1 Conservative Member)
- Community Select Committee* – 10 Members (7 Labour Members, 2 Liberal Democrat Members, 1 Reform UK Member)
- Environment and Economy Select Committee* – 11 Members (8 Labour Members, 2 Liberal Democrat Members, 1 Reform UK Member)
- Planning & Development Committee* – 14 Members (11 Labour Members, 2 Liberal Democrat Members, 1 Reform UK Member)
- Licensing Committee – 14 Members (12 Labour Members, 2 Liberal Democrat Members)
- General Purposes Committee* – 14 Members (12 Labour Members, 2 Liberal Democrat Members)
- Appointments Committee* – 8 Members (7 Labour Members, 1 Liberal Democrat Member)
- Standards Committee* – 8 Members (6 Labour Members, 1 Liberal Democrat Member, 1 Conservative Member)
- Audit Committee* – 10 Members (7 Labour Members, 1 Liberal Democrat Member, 1 Reform UK Member, 1 Conservative Member) + 1 Co-opted non-elected member
- Statement of Accounts Committee* – 8 Members (6 Labour Members, 1 Liberal Democrat Member, 1 Reform UK Member)
- Joint Consultative Committee* – 3 Members (2 Labour Members, 1 Liberal Democrat Member)

* Indicates where those bodies covered by the rules of proportionality for the purposes of the Local Government (Committees and Political Groups), Regulations 1990 – total Committee places being 100

3. That the Memberships of the various Committees, as set out in Appendix A, be approved.
4. That it be noted that the Leader of the Reform UK Group is Cllr Mason Humberstone and that the Deputy Leader of the Group is Cllr Rob Henry.
5. That it be noted that the Leader of the Liberal Democrats Group will be Cllr Andy McGuinness with effect from 1 January 2026, and the Deputy Leader of the Group will be Cllr Stephen Booth.

14

DECISIONS TAKEN BY THE EXECUTIVE UNDER THE SPECIAL URGENCY PROVISIONS OF THE LOCAL AUTHORITIES (EXECUTIVE ARRANGEMENTS) (ACCESS TO INFORMATION) (ENGLAND) REGULATIONS 2012

The Council considered a report in respect of the decision(s) taken by the Cabinet in accordance with the Special Urgency provisions of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012.

It was moved by Councillor Richard Henry, and seconded by Councillor Jeannette Thomas, that the Recommendations in the report be approved.

Upon the motion being put to the vote, it was **RESOLVED** that the report be noted.

2026 FLEXIBLE VOTING PILOTS

The Council considered a report in respect of the invitation from the Ministry of Housing, Communities and Local Government (MHCLG) for applications from local authorities in England to pilot schemes at local elections in May 2026, with the objective of making voting in person more efficient, more convenient, and in line with the expectations of modern voters.

It was moved by Councillor Richard Henry, and seconded by Councillor Jeannette Thomas, that the Recommendations in the report be approved.

Upon the motion being put to the vote, it was **RESOLVED**:

1. That Council participation in the Government's 2026 Flexible Voting Pilots be approved, and that the 2026 the pilot submission will include:
 - a centralised voting hub based at the Council's offices in Daneshill House, available for all electors to vote at on Polling Day (in addition to their designated polling station); and,
 - early in-person voting, commencing a week before Polling Day (on Thursday 30 April), to include the weekend and Bank Holiday Monday, at the same centralised voting hub as above. The proposed hours of poll would be from 9am to 7pm on weekdays and Saturday, and then from 10am to 4pm on Sunday and Bank Holiday Monday.
2. That authority be delegated to the Returning Officer to determine with MHCLG the necessary arrangements of the pilots; agreeing the final details for the pilots that will be administered in Stevenage.

AUDIT COMMITTEE MINUTES

The Minutes of the meeting of the Audit Committee held on 3 September 2025 were received.

CHAIR

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| | |
|-----------------------|---|
| Meeting | CABINET / COUNCIL |
| Portfolio Area | Housing and Housing Development / Resources and Performance |
| Date | 14 JANUARY 2026 / 21 JANUARY 2026 |



HOUSING REVENUE ACCOUNT (HRA) BUDGET AND RENT SETTING REPORT 2026/27

KEY DECISION

| | |
|------------------------|--|
| Authors | Keith Reynoldson; Atif Iqbal |
| Contributor | Ash Ahmed; Andrew Garside; Clare Fletcher; Denise Lewis; Richard Protheroe; Kerry Clifford |
| Lead Officers | Richard Protheroe; Clare Fletcher |
| Contact Officer | Keith Reynoldson; Atif Iqbal |

1. PURPOSE

- 1.1. To update Members on the proposals for the Housing Revenue Account (HRA) budgets and rent setting for 2026/27, to be considered by Council on 21 January 2026.
- 1.2. To update Members on the formula for setting rents for 2026/27 and to propose 2026/27 HRA rents and service charges.
- 1.3. To update Members on the final 2026/27 HRA budget, incorporating budget amendments identified since the December 2025 Cabinet report and the decisions included in the HRA Draft Budget Report that was approved at the Cabinet meeting on the 10 December 2025.
- 1.4. To update Members on the 2026/27-2030/31 HRA Capital Programme for approval and incorporating any budget amendments identified since the December 2025 Cabinet report.

2. RECOMMENDATIONS

That the following proposals be recommended to Council on 21 January 2026:

- 2.1 That HRA dwelling rents be increased (week commencing 1 April 2026) by 4.8%. This equates to an average increase of £5.89 for social rents, £8.85 for affordable rents and £7.29 for Low Start Shared Ownership homes per week (based on a 52-week year), subject to the Government not publishing rent regulations on rent convergence allowing an additional £1 per week for un-converged homes.
- 2.2 That Members approve the implementation of rent convergence for 2026/27 rents (as set out in the December Draft Budget report and paragraph 4.1.6 of this report), if regulations are published by the date of the Full Council meeting in January 2026.
- 2.3 That the 2026/27 service charges are approved as set out in paragraph 4.2.
- 2.4 That the HRA budget for 2026/27, set out in Appendix A, is approved.
- 2.5 The 2026/27 growth options as set out in section 4.4 are approved.
- 2.6 That the changes from the draft budget in section 4.6 are approved.
- 2.7 That the 2026/27 Fees and Charges as set out in Appendix B are noted.
- 2.8 That the revised minimum levels of balances for 2026/27 shown in Appendix C are approved.
- 2.9 That Members approve the Rent Increase Equalities Impact Assessments (EqIA) appended to this report in Appendix D.
- 2.10 That the Capital Strategy detailed in Appendix E is approved, including total spend for 2026/27 of £75.6Million and borrowing to finance capital schemes of £35.6Million.
- 2.11 That an additional £1.5Million budget is added to the 2025/26 capital programme, detailed in section 4.8.3, to enable the purchase of 5 additional homes in the Shephall View scheme, to be funded by a budget virement of £330K from the Oval scheme and the remainder from grant from Homes England.
- 2.12 That delegated authority be given to the Strategic Director (RP), following consultation with the Portfolio Holders for Housing and Housing Development and Resources & Performance, to complete final negotiations for the purchase of the additional properties, within the agreed total budget.
- 2.13 That the contingency sum of £500K, within which the Cabinet can approve supplementary estimates, be approved for 2026/27.
- 2.14 That Members note the comments made by the overview and Scrutiny Committee as part of its work in accordance with the Budget and Policy Framework rules in the Council's Constitution.

3. BACKGROUND

- 3.1 The Housing Revenue Account (HRA) is a legally ring-fenced account that records all income and expenditure associated with the management and operation of the Council's housing stock. The main costs within the HRA include housing

management, maintenance, depreciation (which helps fund capital works), and interest on loans. The account is primarily funded through rental income, which represents the majority of HRA revenue. Any surplus generated is retained within the ring-fenced account and used to support capital investment or offset future deficits. Under the Local Government and Housing Act 1989 (Section 76), the Council is legally required to set a balanced HRA budget and cannot plan for a deficit on the fund.

3.2 The latest update to the Housing Revenue Account (HRA) Business Plan was presented to Cabinet in November 2025. This plan underpins the Council's key housing priorities for Stevenage, as set out under "More Social, Affordable and Good Quality Homes (MSAGQH)," one of the five strategic priorities in the "Making Stevenage Even Better 2024–2027 Corporate Plan".

3.3 The table below provides a summary of the overall commitments set out in the latest comprehensive review of the HRA Business Plan in 2026/27 to 2056/57.

|  Borrowing and RCCO |  Housing Development |  Housing Asset Management |  Housing Service Delivery |
|---|--|---|--|
| New Borrowing for Capital Investment £171m (30Yrs) | Invest £457m in new stock (30Yrs) | £744m stock investment funding (30Yrs) £148m in next 5 yrs | £775m in non-maintenance revenue funding (30yrs) |
| Refinanced debt to enable revenue operations £175m (30Yrs) | Deliver 1,470 units (30Yrs) 320 in next 5yrs | £699m repairs, void, and cyclical maintenance (30Yrs). | Savings £566k 26/27 then £1m 27/28 £1m 28/29 £500K 29/30 £400K until 36/37 Total cumulative saving of £3.5m by year 5. |
| Revenue contribution to capital £2.2m in (years 1-5) | Deliver new homes to 5 star promise | Efficiency target of £699K (5%) for 27/28 | |
| RTB changes mean lower investment need and repayment of Debt within 30yrs | Secure grant funding for schemes where possible - £25m included in the plan | All properties to EPC-C by 2030 | Growth of £700k pa to enable service improvement / efficiency |

3.4 Members received an update on the Housing Revenue Account (HRA) Business Plan at the November 2025 Cabinet, including the medium-term position for 2026/27 to 2030/31. This update reflected major changes since the previous year's plan, including new national regulatory requirements, rent policy reforms, and the updated stock condition survey data. These changes have resulted in increased investment needs and higher borrowing in the early years of the plan, alongside challenging savings targets to maintain long-term viability.

3.5 The HRA Medium-Term Financial Strategy for 2026/27–2030/31 reflects a front-loaded capital investment approach supported by tight revenue controls and significant borrowing. On revenue, the plan assumed:

|  Rent |  Growth and Savings |  Capital |  Financing |
|--|---|---|---|
| Consumer Prices Index (CPI) + 1% rent increases | £700k annual growth for compliance and service improvements | £148Million capital over five years for | Debt servicing peaks at 32% of income |
| Rent convergence to national formula from 2026/27 capped at £1 per week | Savings programme of £566k in 2026/27, rising to £1m annually. | <ul style="list-style-type: none"> major works/ compliance upgrades (incl. meeting EPC-C energy standard by 2030) £95m for new development, delivering around 320 homes | Financing based on <ul style="list-style-type: none"> £171m new borrowing and £175m refinancing over the life of the plan |
| Use rent flexibility on relet of homes – 5% for social rent and 10% for supported | A one off 5% repairs saving from 2027/28, is required £5.8m ongoing savings by year 10 | | Supplemented by <ul style="list-style-type: none"> Homes England grants (£25m) RTB receipts limited revenue contributions <p>Peak debt of £354m in year six, but repay debt by the end of the 30-year plan</p> |

Housing Regulatory Network

3.6 The main regulatory framework for social housing is shaped by three key bodies: the Regulator of Social Housing (RSH), the Housing Ombudsman, and the Health and Safety Executive (HSE). The RSH sets economic and consumer standards, ensuring providers maintain financial viability, governance, and tenant engagement. The Council was inspected by the RSH in November 2024 and received a C2 consumer grading, indicating that while the Council meets many requirements of the Consumer Standards, improvements are needed in areas such as tenant engagement and transparency. The inspection confirmed strong compliance with health and safety obligations and effective repairs services, but highlighted gaps in reporting remedial actions and involving tenants in service scrutiny. The Council has committed to an improvement plan with the Regulator to address these issues and aims to achieve a C1 rating at the next inspection in four years. The Housing Ombudsman oversees complaints handling and promotes fair resolution processes, reinforcing accountability and transparency. Finally, the HSE focuses on compliance with health and safety legislation, safeguarding tenants and workers through robust building and maintenance standards (much of the HSE's role is due to transition to the Building Safety Regulator (BSR) from January 2026). Together, these bodies provide a comprehensive framework that underpins quality, safety, and financial resilience across the sector.

3.7 The Budget and Policy Framework Procedure Rules in the Constitution prescribe the budget-setting process, including a minimum consultation period of three weeks. Under Article 4 of the Constitution, the Budget encompasses the allocation of financial resources to services and projects, proposed contingency funds, rent setting for the Housing Revenue Account, decisions on borrowing requirements, control of capital expenditure, and the setting of virement limits. In line with the HRA Business Plan and the Medium-Term Financial Strategy, the Council ensures that these decisions reflect statutory obligations, long-term investment priorities, and enhanced tenant engagement during consultation.

3.8 The timeline for 2026/27 HRA Budget setting is as below:



4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1. Rents

4.1.1. The total number of HRA homes in management as at 31 October 2025 is summarised in the table below. The average rents for 2026/27 are based on the

current housing stock and any right to buy sales, or new schemes coming on stream after this date, may change the average rent per property type.

| Stock Numbers at 31/10/2025 | Social | Affordable | Sheltered | Shelt. Afford | LSSO | Homeless | Total |
|-----------------------------|--------|------------|-----------|---------------|------|----------|-------|
| Number of Properties | 6,703 | 65 | 836 | 32 | 79 | 192 | 7,907 |

- 4.1.2. For 2026/27 rent has been set in accordance with the current Rent Standard of September CPI plus 1 %. The September CPI was 3.8% meaning rents will increase by 4.8%.
- 4.1.3. In the summer of 2025, the Government consulted on their intention to restart a rent convergence policy that was initially introduced in 2002 but abandoned by the last Government in 2015. This policy involves moving all social rents in a locality (regardless of the provider) to a standard formula based rent that is calculated on average local earnings and property prices. Based on the consultation it was expected that the government would announce its decision on a £1 or £2 increase, as this had been a key request from the housing sector, alongside uprating the Local Housing Allowance (LHA) rate and temporary accommodation subsidy. However, the Government have delayed the announcement on rent convergence until January 2026.
- 4.1.4. As the Government has not confirmed whether they will include rent convergence in the final rent standard for April 2026, the final budget proposal excludes the impact of this, but recommends that, if the Government announces a rent convergence policy before the full Council meeting on the 21st of January, Members approve this to support the financial resilience of the HRA, as set out in the December Draft Budget report. If approved the papers and recommendations will be adjusted to reflect the final rent standard, with a £1 limit on rent convergence this would increase annual rent income for 2026/27 by £209K.
- 4.1.5. The tables below show the impact with and without rent convergence. The proposed average rents per week for 2026/27 are set out below, based on a 52-week year and the current housing stock in management.

2026/27 Rent Increase without rent convergence

| Average Rents 2026/27 | LSSO | Increase/ (decrease) % | Social | Increase/ (decrease) % | Affordable | Increase/ (decrease) % |
|---------------------------------|----------------|------------------------|----------------|------------------------|----------------|------------------------|
| Average Rent 2025/26 | £151.17 | | £122.83 | | £184.36 | |
| Add rent impact 2026/27 | £7.26 | 4.8% | £5.89 | 4.8% | £8.85 | 4.8% |
| Total 52 wk Rent 2026/27 | £158.43 | | £128.72 | | £193.21 | |

- 4.1.6. Applying CPI plus 1% to current rent levels would lead to an average rise of £7.26 per week for shared ownership (LSSO) properties, £5.89 per week for social rent properties and £8.85 per week for affordable rent (at 80% of market rents). The table below shows the additional impact of applying rent convergence with a £1 per week limit. This adds an additional 93p per week to shared ownership rent and 83p to social

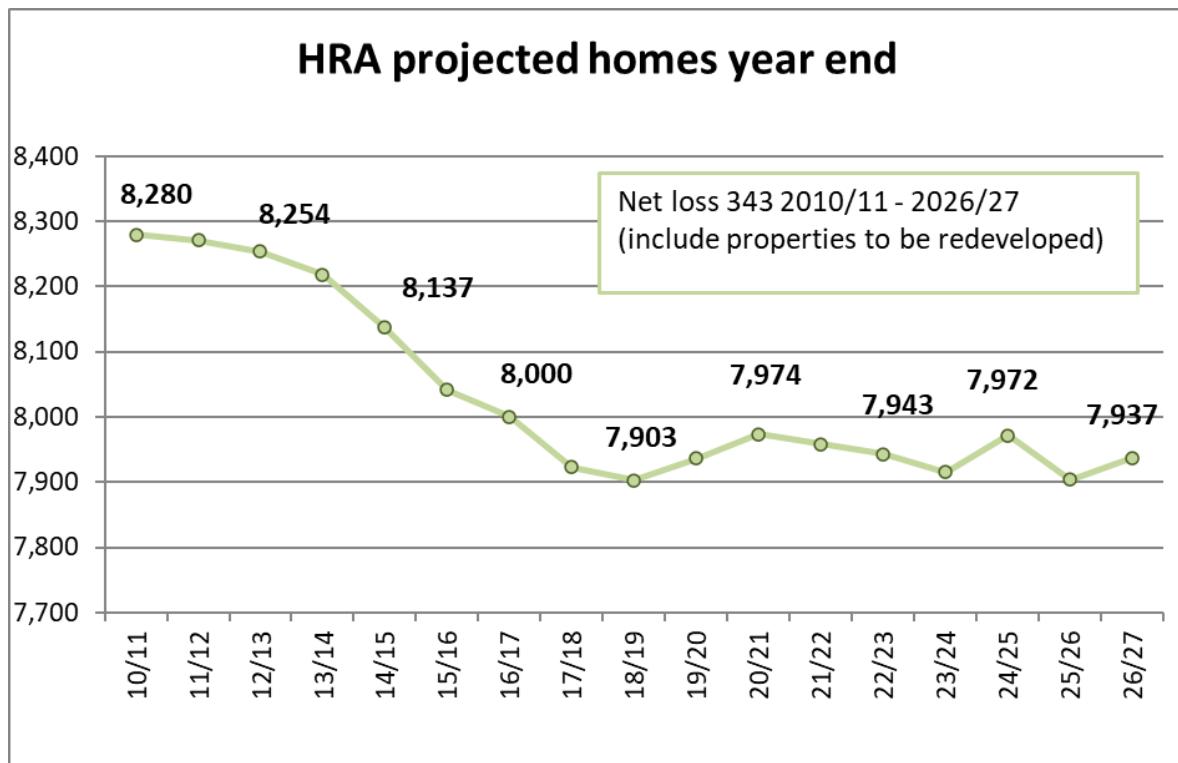
rents. There is no change to affordable rents, as these are not included within the rent formula standard.

2026/27 Rent Increase with rent convergence

| Average Rents with Convergence 2026/27 | LSSO | Increase/ (decrease) % | Social | Increase/ (decrease) % | Affordable | Increase/ (decrease) % |
|--|----------------|------------------------|----------------|------------------------|----------------|------------------------|
| Average Rent 2025/26 | £151.17 | | £122.83 | | £184.36 | |
| Add rent impact 2026/27 | £8.19 | 5.4% | £6.72 | 5.5% | £8.85 | 4.8% |
| Total 52 wk Rent 2026/27 | £159.36 | | £129.55 | | £193.21 | |

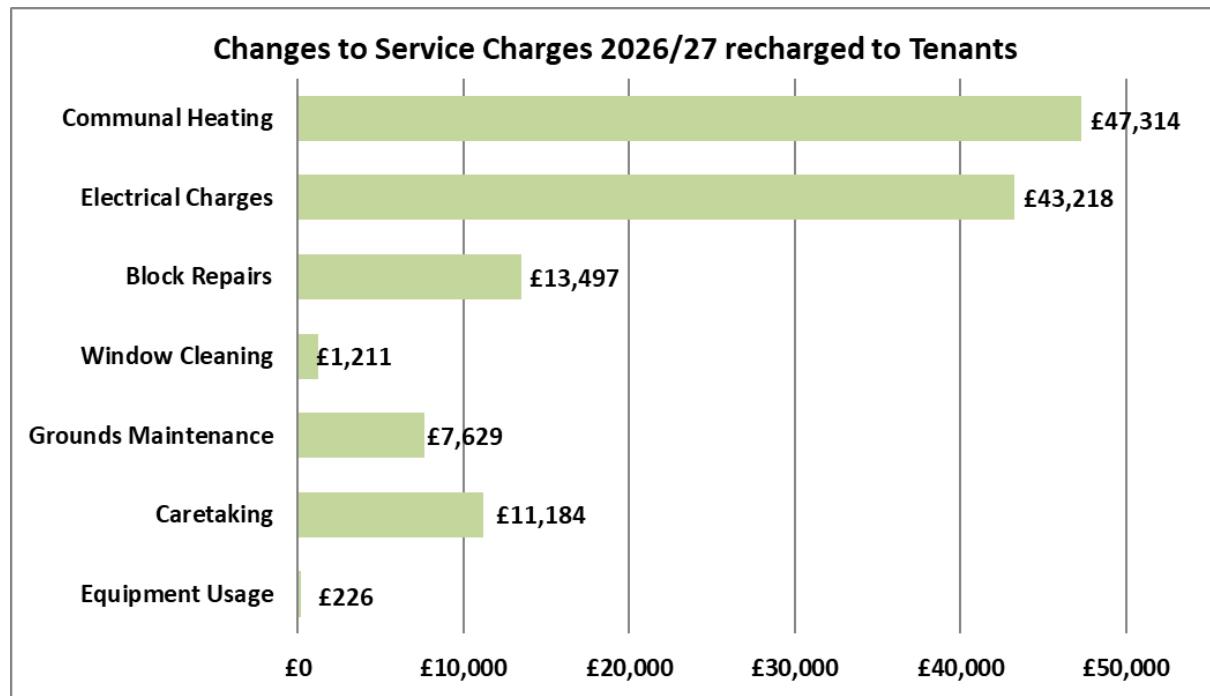
4.1.7. The 2026/27 net rental income increase is estimated to be £2.6Million (£2.8Million with rent convergence), which includes the estimated impacts of right to buy (RTB) sales, expected new properties, properties taken out of management (awaiting redevelopment) and without the impact of rent convergence with a £1 cap.

4.1.8. The total number of Council homes is projected to have reduced by 343 between 2010/11 and the end of 2026/27 (based on the net impact of RTBs, new homes and homes awaiting development).



4.2. Service Charges 2025/26

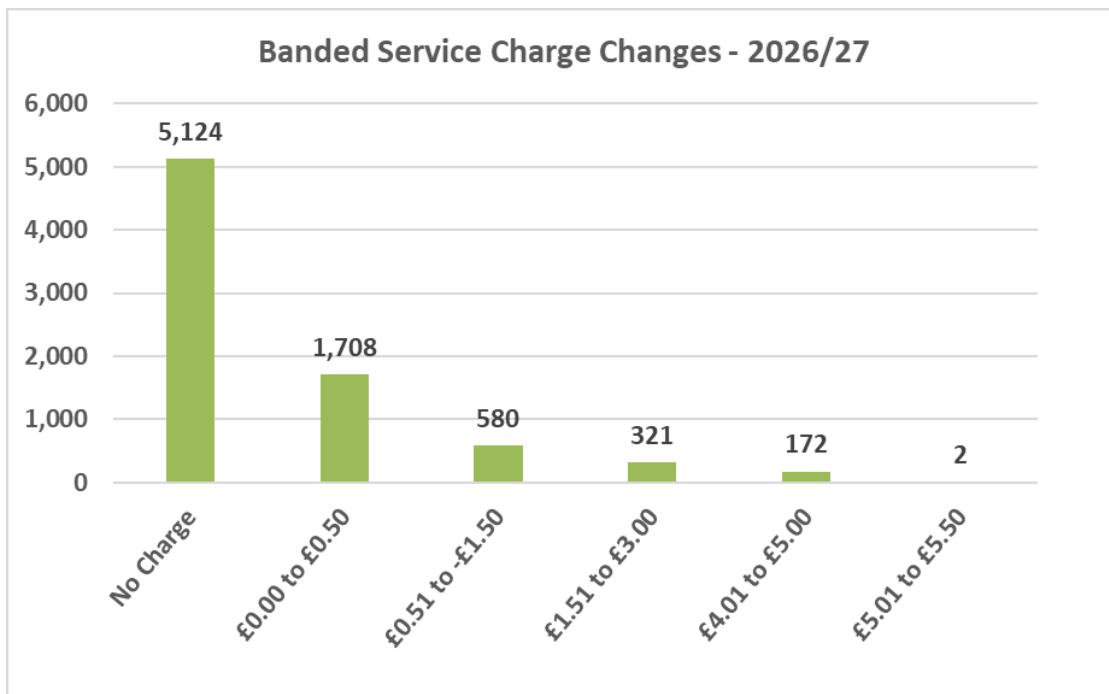
4.2.1. Service charges are calculated on an individual block basis for 2,783 properties, (2025/26 2,757) or 35% of current SBC tenanted properties.



4.2.2. Service charges are not subject to a formula rent increase but are based on cost recovery or actual cost. For 2026/27 service charge costs will increase with inflationary pressures and changes in usage. The chart above identifies the changes between 2025/26 and 2026/27 for service charges and the estimates are based on the projected budgeted costs, except for block repairs, which are 'smoothed' over a five-year period to eliminate individual in-year spikes in repairs spend.

4.2.3. The chart in paragraph 4.2.4 illustrates that energy prices are still expected to cause the largest increase year to year. However, they are still lower than the exceptional spike in prices seen in 2022/23. Most changes are in line with the November Business Plan revision, but projected energy prices are slightly more than anticipated.

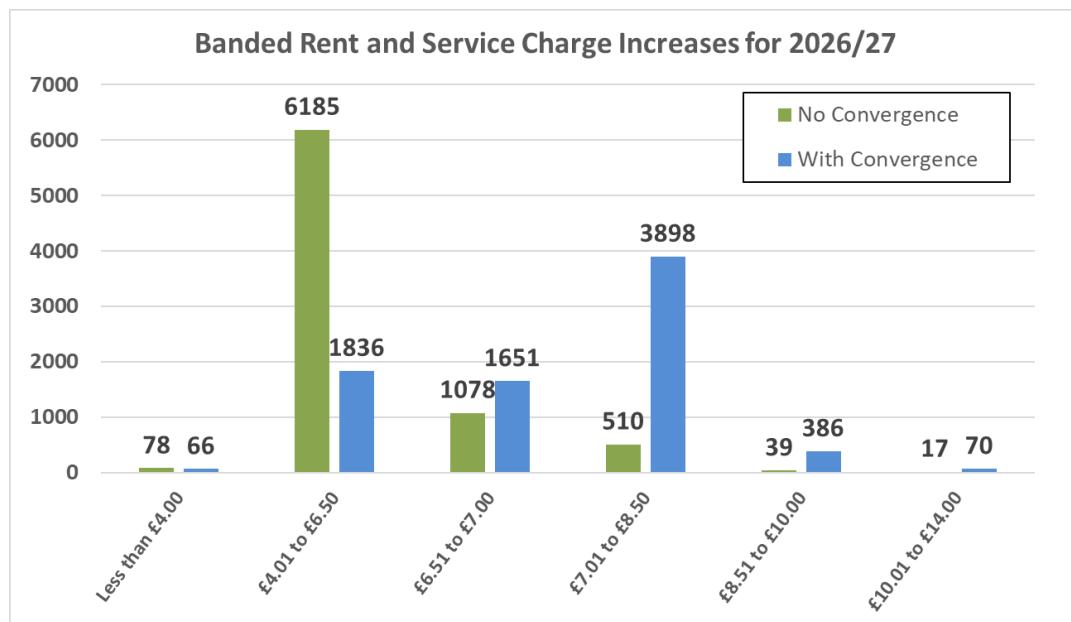
4.2.4. The spread of service charge changes for all tenants in 2026/27 is shown in the chart below, including utility charges and communal heating schemes that are not eligible for housing benefits. The graph shows that 5,124 (65%) of homes do not have service charges. Of the 2,783 properties that do, 1,708, the majority (61%) will have increases of less than 50p per week. The remaining properties with higher increases, have been driven by utility price rises that are still projected to be higher than general inflation.



note increase per week

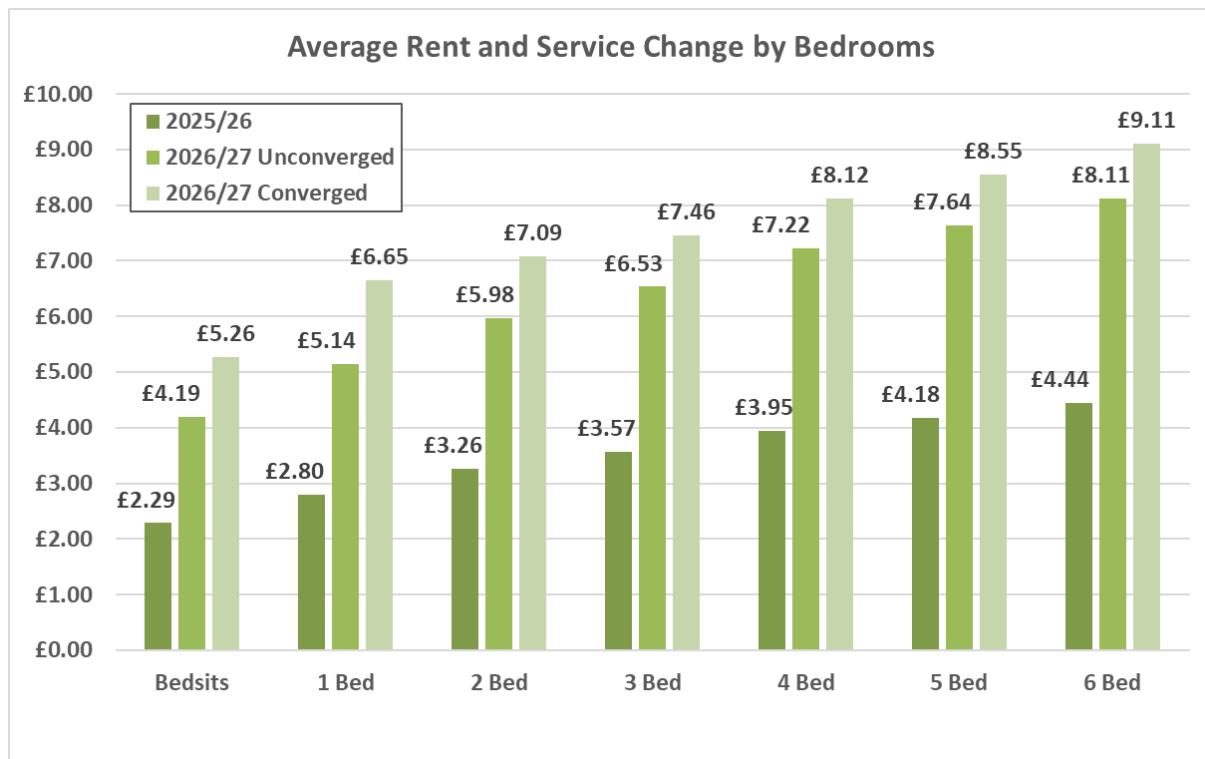
4.3. **Rents and Service Charges**

4.3.1. The graph below shows the combined impact of the 2026/27 rent and service charge increases, both with and without rent convergence. Without rent convergence the majority of properties (7,341 93%) have a weekly increase of £7 or less. With rent convergence, capped to £1 per week, the majority of properties (7,451 94%) have a weekly increase of £8.50 or less. With rent convergence included there are 70 properties with an increase between £10 and £14 per week (or 0.9% of the stock). Of these, 53 include charges for communal heating and 17 are affordable rent properties, with a higher weekly rent. The full distribution of the 2026/27 rent and service charge changes are summarised in the chart below.

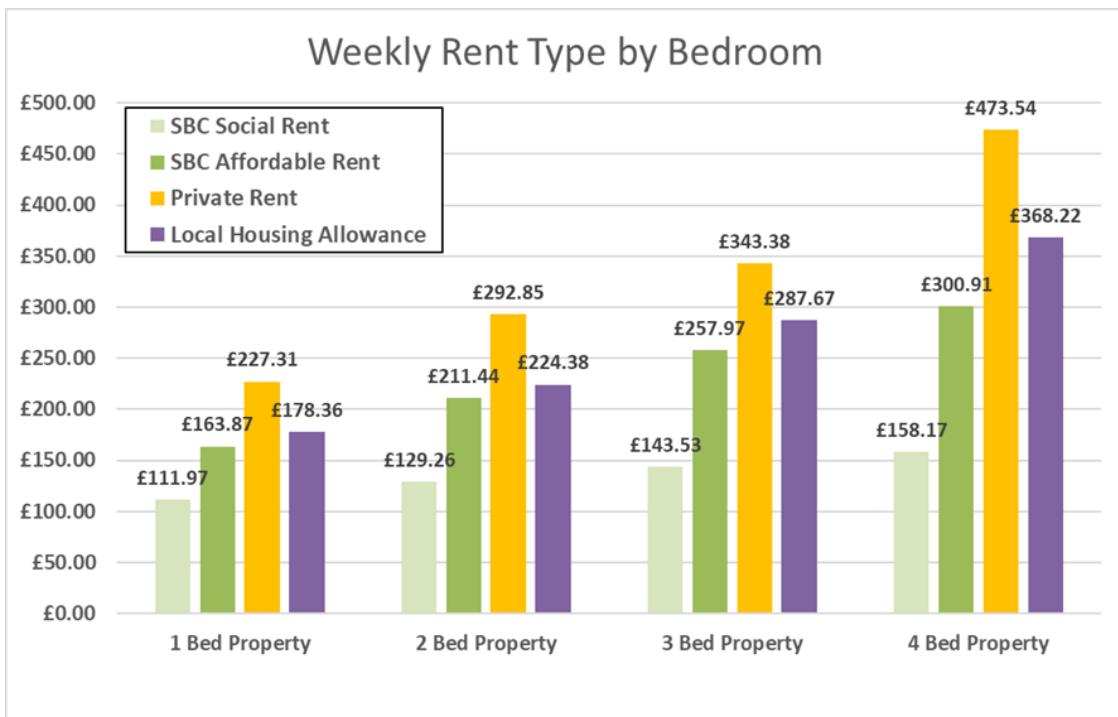


note increase per week

4.3.2. The average rent and service charge increase by bedroom size has also been calculated and summarised in the chart below.



4.3.3. The chart above shows the increase with and without rent convergence with a £1 cap per week. For note the rent increase based on CPI September 2024 was 1.7% versus 3.8% for September 2025.



4.3.4. The comparison above between HRA property rents per week (with rent convergence and a £1 cap) and private sector rents per week, for one to four-bedroom properties, is shown in the Graph above. The latest Office for National Statistics (ONS) data, to October 2025, shows that private sector rents in Stevenage have increased substantially from last year. One bedroom properties have risen by 6% and four bedroom homes have risen by over 4%.

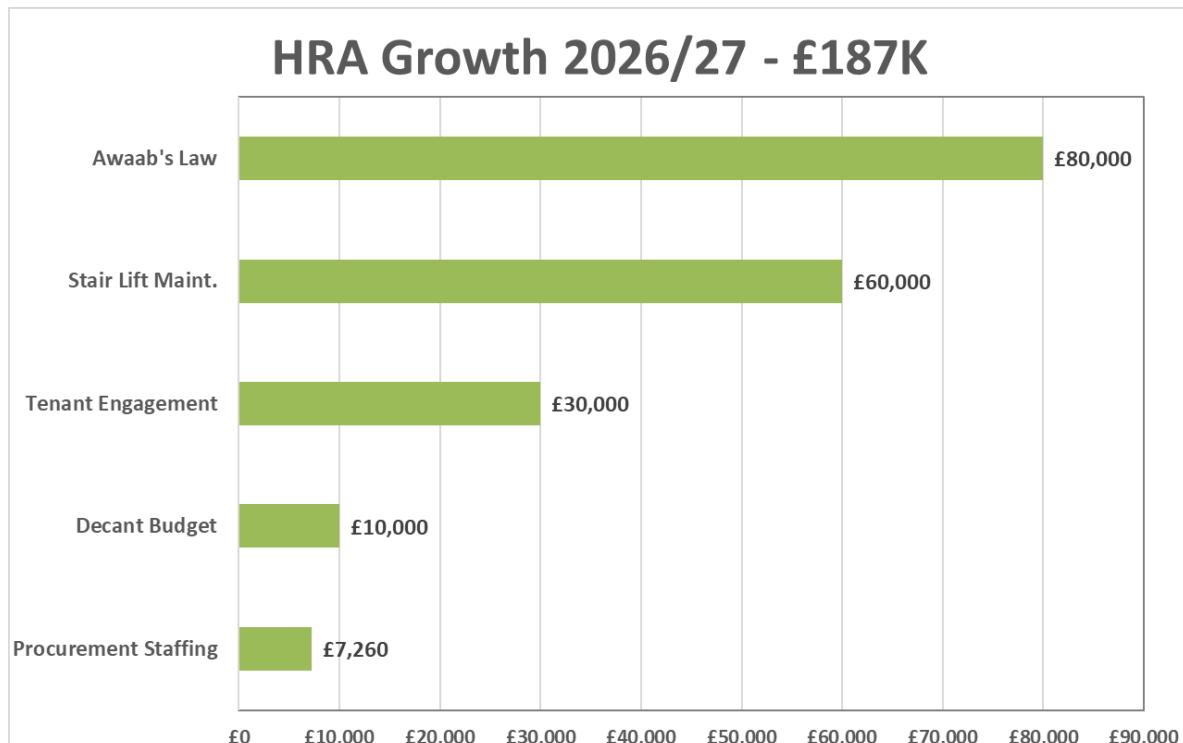
| Rent Convergence - £1 Cap | SBC Social Rent | SBC Affordable Rent | Private Rent | Local Housing Allowance | Private v SBC Social % | Private v SBC Affordable % |
|---------------------------|-----------------|---------------------|--------------|-------------------------|------------------------|----------------------------|
| 1 Bed Property | £111.97 | £163.87 | £227.31 | £178.36 | 103% | 39% |
| 2 Bed Property | £129.26 | £211.44 | £292.85 | £224.38 | 127% | 39% |
| 3 Bed Property | £143.53 | £257.97 | £343.38 | £287.67 | 139% | 33% |
| 4 Bed Property | £158.17 | £300.91 | £473.54 | £368.22 | 199% | 57% |

Private rent Data from ONS as at October 2025 and the Local Housing Allowance is based on current rates. Please note the SBC rents are April 2026 prices and the private rents October 2025 prices.

4.3.5. A three-bedroom private sector rental property costs an additional 139%, (2024/25, 142%) more per week than a Stevenage Borough Council home and 33% more than the affordable let properties, (2024/25 34%). The Local Housing Allowance (LHA), shown in the table above, is the maximum amount of housing benefit payable by property size for private rented properties.

4.4. Growth included in the HRA

4.4.1. The following growth items have been included within the 2026/27 HRA budget, in addition to the current working budget.



4.4.2. **Awaab's Law Implementation £80K** – An additional business support role has been funded from within existing budgets in 2025/26. However, with the implementation of Awaab's Law from October 2025 and expanded to the other "Housing Health and

Safety Rating System" (HHSRS) potential hazards over the next two years, it is likely that staffing resources will need to increase to ensure legal and regulatory compliance.

4.4.3. **Stair Lift Maintenance Contract £60K** – The contract value is expected to be higher, as the number of stairlifts and other lifting equipment, installed in Council properties, has increased. This is in response to the level of demand for aids and adaptations to homes. It is projected that the increased level of servicing will offset any potential cost efficiencies that may be achieved through a competitive tender process.

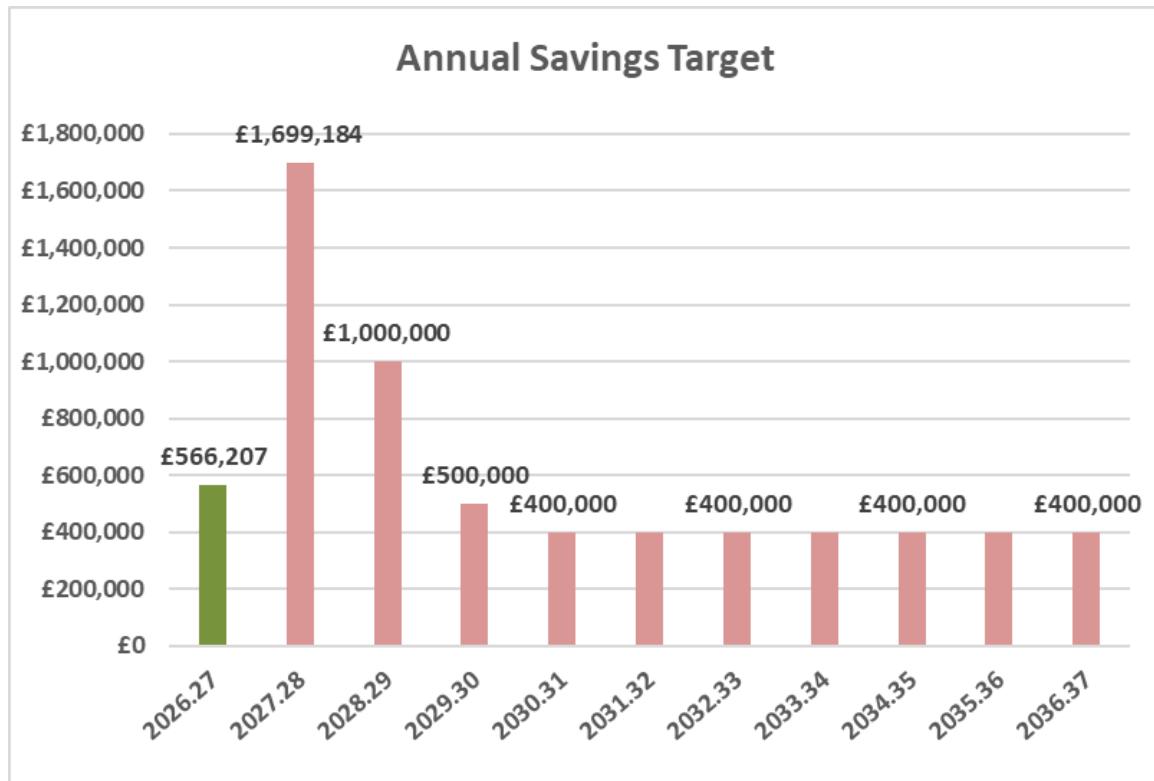
4.4.4. **Tenant Engagement £30K** - This growth is for the facilitation of tenant engagement activities, linked to the "Provider Improvement Plan", so that the Council can demonstrate enhanced regulatory compliance with the "Transparency, Influence and Accountability Standard" and meet the commitments within the Resident Engagement Strategy 2024-2027.

4.4.5. **Decant Budget £10K** - There is a rise in the necessity to decant tenants from their properties, due to historic disrepair cases and on occasion, due to property neglect. This is likely to be further impacted by Awaab's Law.

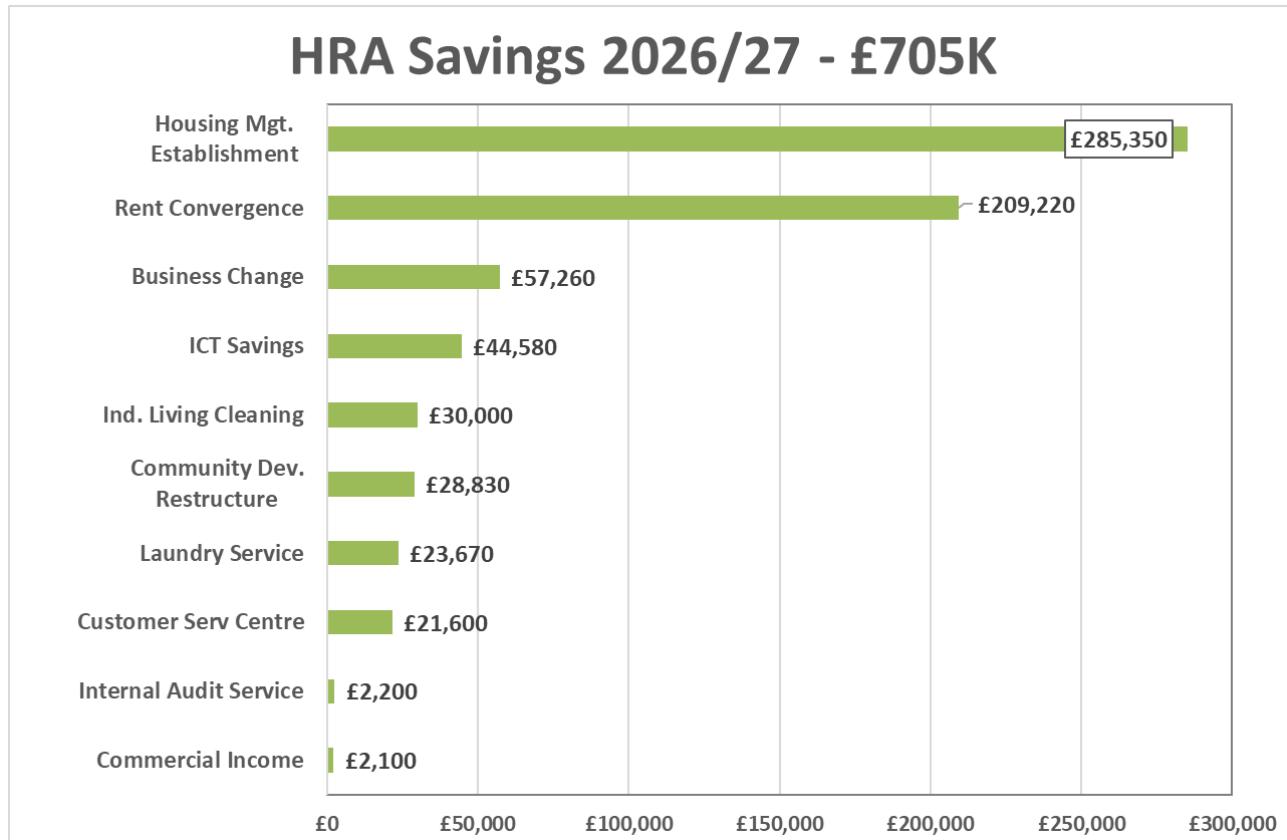
4.4.6. **Procurement Staffing £7K** – This function has three staff that support a shared service across East Herts, Hertsmere, and Stevenage Councils. The additional staff requirement is supported by the Senior Leadership Team and will ensure that new regulations, as a result of the new Procurement Act 2023, are delivered effectively. The remainder of the post's costs have been funded from changes in the finance team.

4.5. **Savings Options**

4.5.1. The latest 30 year HRA business plan has identified the need for substantial revenue savings in the medium term forecast, see paragraph 3.3 and graph below.



4.5.2. A preliminary savings review was conducted in the summer which initially identified £566K potential savings for 2026/27, however further analysis of actual savings to be achieved in 2026/27 is now showing £496K, with the addition of £209K from rent convergence with a £1 cap (to be confirmed by the Government). The individual savings included in the proposed budget are detailed below.



4.5.3. **Housing Management Establishment £285K** – The budget saving exercise in the summer identified a potential £346K saving from a rationalisation of the current staffing establishment, in particular an analysis off long-term vacant posts. After the detailed analysis was completed an actual saving of £285K has been included in the budget. There is no negative impact on services from this measure, as the savings derive from long term vacant posts where service efficiencies mean that they are no longer needed. Also, there are some vacated “fixed term” posts that have remained in the establishment, or where new posts have been created for a job share and the original post is still budgeted.

4.5.4. **Rent Convergence £209K** - The business plan also included an estimated £209K additional income stream from the reintroduction of rent convergence that the Government has recently consulted on and is detailed at 4.1. This estimate was included in the Draft HRA Budget, but as there has not been confirmation of this rent policy change, it has been removed in section 4.6.4 below. If the Government announces the rent policy before the Council meeting on the 21st of January this will be reinstated.

4.5.5. **Business Change Team £57K** – a review of the Business Change Team budgets has identified savings for 2026/27 and the HRA’s share of these central costs has reduced by £57K as a result.

- 4.5.6. **ICT Savings £45K** – there are two areas included in this saving. A saving of £33K has been identified, as a result of a software review and more extensive use of the Microsoft 365 product. The second item of £12K relates to the HRA's share of the removal of a vacant post in the current ICT staff structure.
- 4.5.7. **Independent Living Cleaning £30K** – A review has been carried out to reduce duplication between caretaking services and the Independent Living cleaning service and this is projected to reduce costs by £30K per annum.
- 4.5.8. **Community Development Restructure £29K** - Savings were identified for the HRA following the restructure of the Community Development and Co-operative Neighbourhoods Team, which was approved and actioned in June 2025.
- 4.5.9. **Laundry Service £24K** - The closure of laundry facilities was proposed due to a low level of usage and the costs of maintaining the equipment. Consultation was carried out with affected residents in the 2 blocks impacted before the decision was made to close these facilities. Those residents who raised concerns about the closure will be supported. For example, plumbing will be provided where tenants wish to install a washing machine in their flat and referrals will be made to the Welfare team for help, advice, and support.
- 4.5.10. **Customer Services Centre £22K** – A management saving is proposed within the Customer Service Centre through the deletion of one management role. No redundancies are expected, as temporary arrangements are currently in place.
- 4.5.11. **Other savings £4K** – there are two other small savings, totalling £4K, identified for additional commercial income from advertising and changes to the internal audit costs.
- 4.5.12. In addition to the savings identified above and since the business plan report was published, the results of the latest pension scheme review have been received, and the annual employer contribution reduces for the period 2026/27-2028/29 reducing pay costs by an estimated £876K (as set out in the December Draft HRA budget report) which may help meet future savings gaps. The pension scheme actuaries carry out a major review every three years to determine the necessary contribution rate of the Council and to identify any historic underfunding that needs to be met. Originally it was anticipated that the current employer's contribution of 19.3% (2026/27 16.5%) would remain in place and additional historic costs would need to be funded. A growth item now not needed of £30K was included in the business plan to meet this contingency.

4.6. Changes to the December 2025 Draft HRA Budget

- 4.6.1. The Draft Budget report indicated that there were two areas that may contain further budget pressures that were not finalised in time for the December meeting. These were the final overhead recharges between the General Fund and the HRA and emerging increased costs relating to building safety budgets. Other changes that have also been included in the final budget proposal are increased income from interest on balances and the removal of rent convergence from the budget, until this is confirmed by the Government. All the changes between the draft and final budget are detailed below.
- 4.6.2. **Building Safety Growth - £513K increase.** The growth has been driven from the reviews of current practice and to comply with the latest regulations. The areas that have increased costs are:

- door inspections £178K
- solar panel inspections £83K
- water system inspections £55K
- maintenance for new developments £33K
- lift maintenance £56K
- fire remedial work £235K

This has been partially offset by allocating other budgets but leaves a net growth of £513K. Some of these items are not annual, for example on solar panel inspections, so future years will not always need this full allocation.

4.6.3. **Net Increase in Recharges - £300K increase.** The draft budget did not include any inflationary increase on recharges from the General Fund, because the reduction in pension costs was expected to offset most of this. However, when recharges were calculated on the latest allocation basis there has been an increase of £436K on the 2025/26 budget of £8.85Million. However, this has been slightly offset by a review of recharges from the HRA to the General fund, increasing by £136K, giving a net increase of £300K of costs to the HRA budget.

4.6.4. **Removal of Rent Convergence - £209K increase.** As set out in paragraph 4.1.4 the Government has not finalised the rent standard for 2026/27, and the impact of a £1 cap increase has been removed from the final budget proposal. If a final decision is made by the Government before full Council in January, the budget proposal will be amended (subject to approval) to reflect this.

4.6.5. **Interest Received on Balances - £633K increase.** As a result of the one off increase in RTB receipts, the conversion of internal borrowing to external debt and the relative reserve positions of the General Fund and the HRA, there has been a significant increase in the expected investment income due for 2026/27. This level of investment income will reduce as HRA receipts are used to support the capital programme.

4.6.6. **Under Provision for Salary Inflation - £385K increase.** Final checks on the establishment budget showed that there was an under provision for salary inflation in the draft budget of £385,020, against a total annual budget of £15.4Million. This has now been corrected in the final budget proposal.

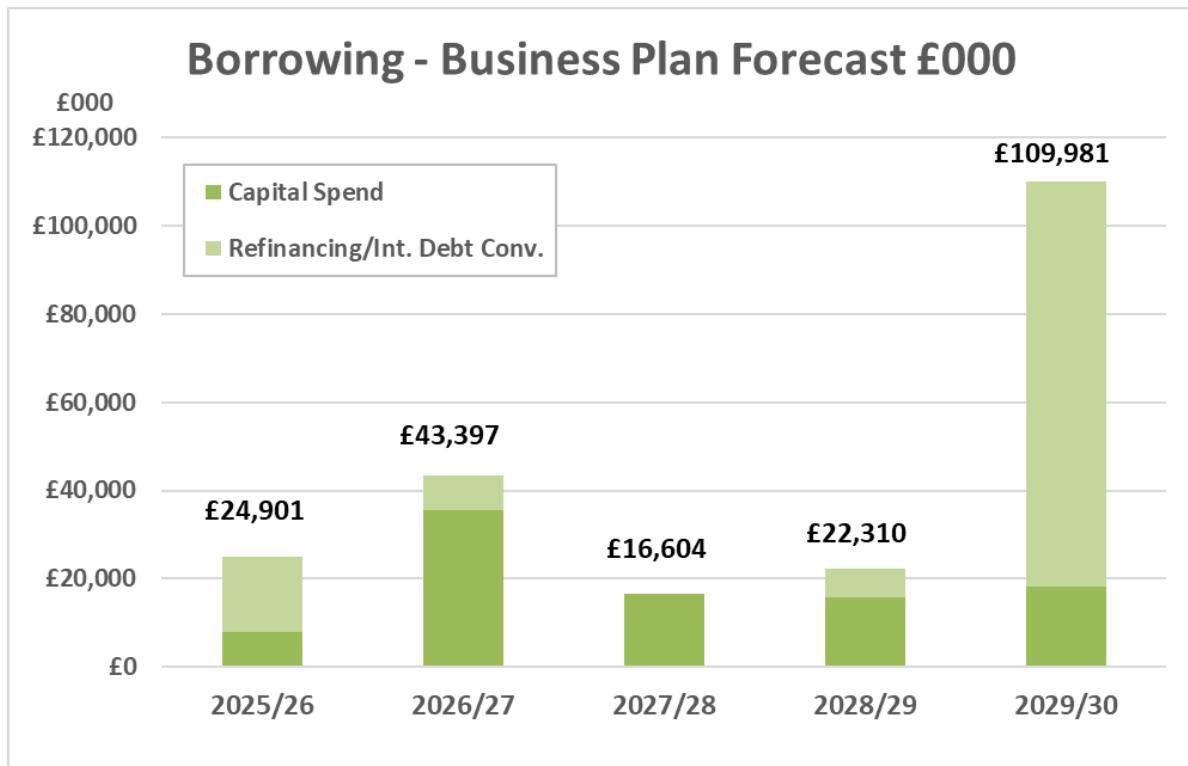
4.6.7. **Other changes - £27K increase.** There were other smaller adjustments to the budget with a net impact of a £27K increase that have been made to the final budget and are listed in the table in paragraph 4.10.1.

4.7. **Borrowing**

4.7.1. Based on current forecasts, new loans totalling £24.9Million and £43.4Million are projected to be taken in 2025/26 and 2026/27, respectively. However, recent volatility in Government debt interest rates may change the timing of when to take the new borrowing. This will be reviewed, weighing up the cost of carry and the prevailing Public Works Loan Board (PWLB) rates. The interest payable in 2025/26 and 2026/27 is estimated to be £9Million and £9.7Million respectively based on an average interest rate of 4.8%. It is not clear whether the Government will continue with the additional 0.6% discount on loans taken on HRA borrowing beyond 31st March 2026.

4.7.2. Current interest rates on Government debt remain higher than the much lower levels seen in the past decade and this has led to a revised debt strategy in the HRA

Business Plan. As shown in the graph below there is a high level of projected borrowing in 2029/30, with £92Million of refinancing of current loans. This will allow the Council to borrow short term at 4.39% compared to the 30 year maturity rate of 5.59% (PWLB rates at 01/12/25) and refinance when lower interest rates are anticipated. For the next two years the current model assumes an average rate of 4.8%, with the HRA Business plan estimating a longer-term average of 3.75%.

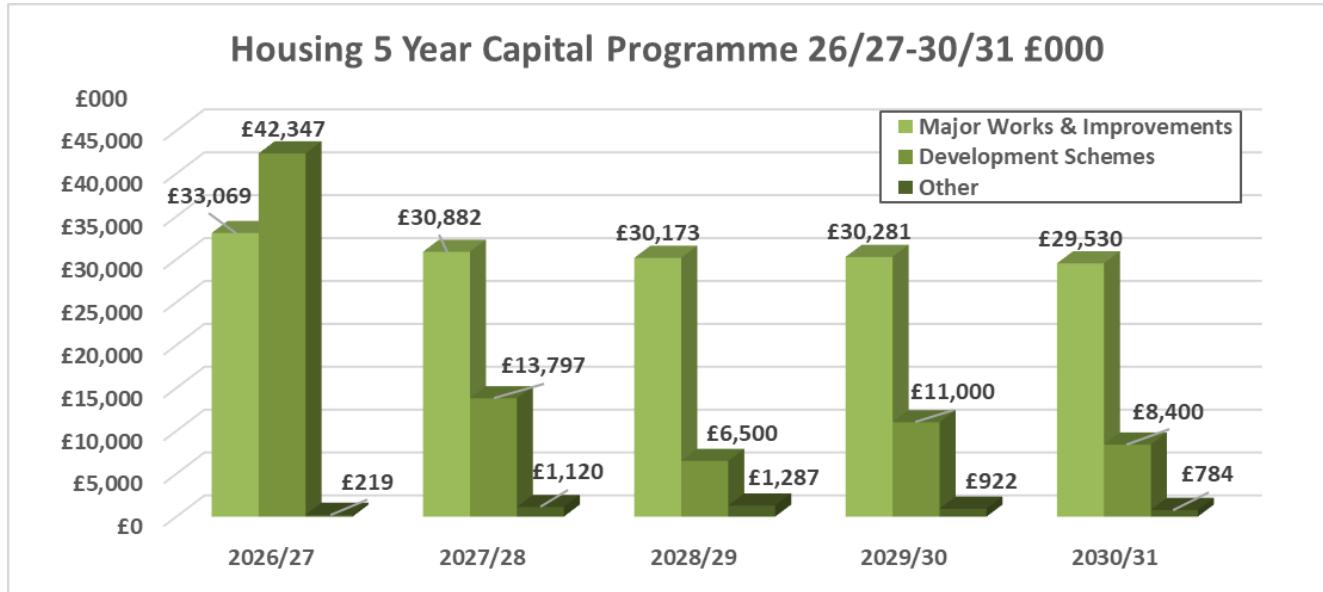


4.7.3. The graph above also shows the annual borrowing projected in the medium term and the split between loans funding capital expenditure and loans taken to convert internal borrowing, or to re-finance existing loans when they become due. Internal debt is generated when the Council uses balances to underwrite capital expenditure, usually for a temporary period. The debt to be taken for 2025/26 and 2026/27 is £68.3Million, of which £24.8Million is for converting internal borrowing to external debt. However, the exact timing of this borrowing could change, based upon the amount of balances held by the Council and changes to interest rates. The current HRA debt model assumes that short term borrowing will be converted to longer term debt in 2029/30, but this is more likely to be spread over a number of years to avoid the risk of needing to refinance if interest rates are high. Therefore, this profile will be reviewed in future years.

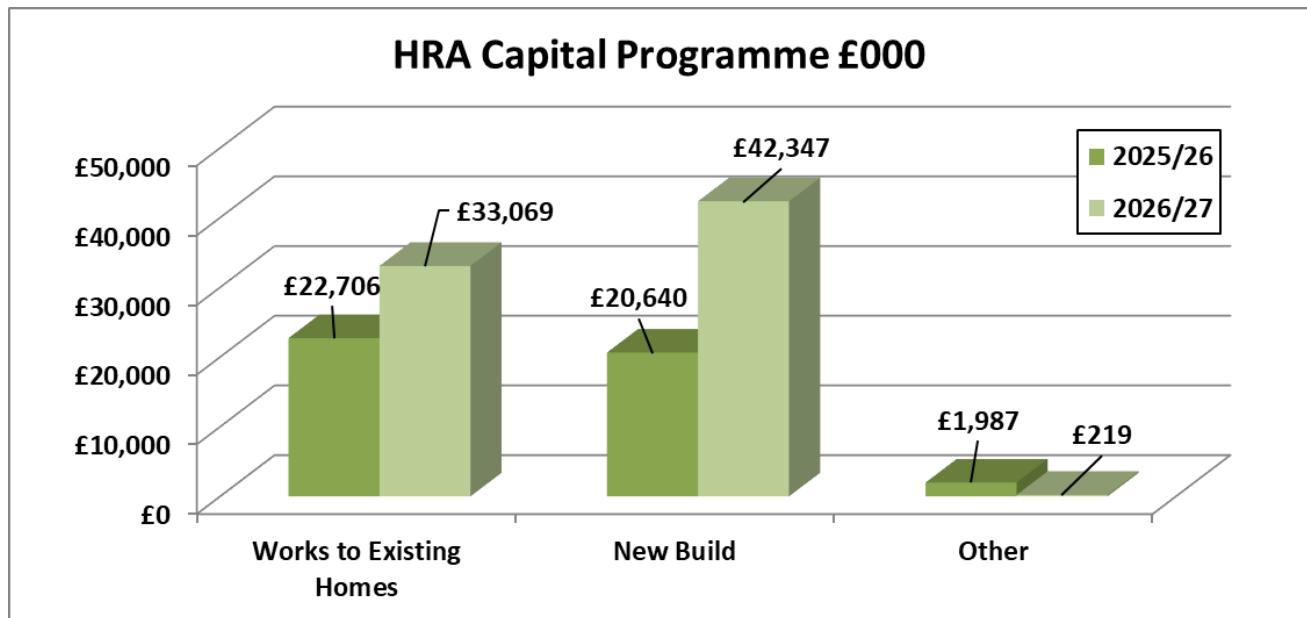
4.8. **Capital Expenditure**

4.8.1. The graph below shows the high level summary of projected capital expenditure, included in the HRA Business Plan, for the next five years. Major works expenditure is expected to stay fairly consistent, starting at £33Million and dropping to £29.5Million by year five. This is higher than the major repairs allowance (funded by depreciation) and will require additional financing from grants, loans, and revenue contributions to capital. Development expenditure is linked to the timing of planned schemes and

does vary from year to year. The high level of spend in 2026/27 of £42Million is due to two schemes at the Oval and Brent Court, but the timing of this expenditure may need to be adjusted, in line with operational requirements. Overall, there is a projected £240Million capital programme over the next five years and the detailed programme is included at Appendix E.



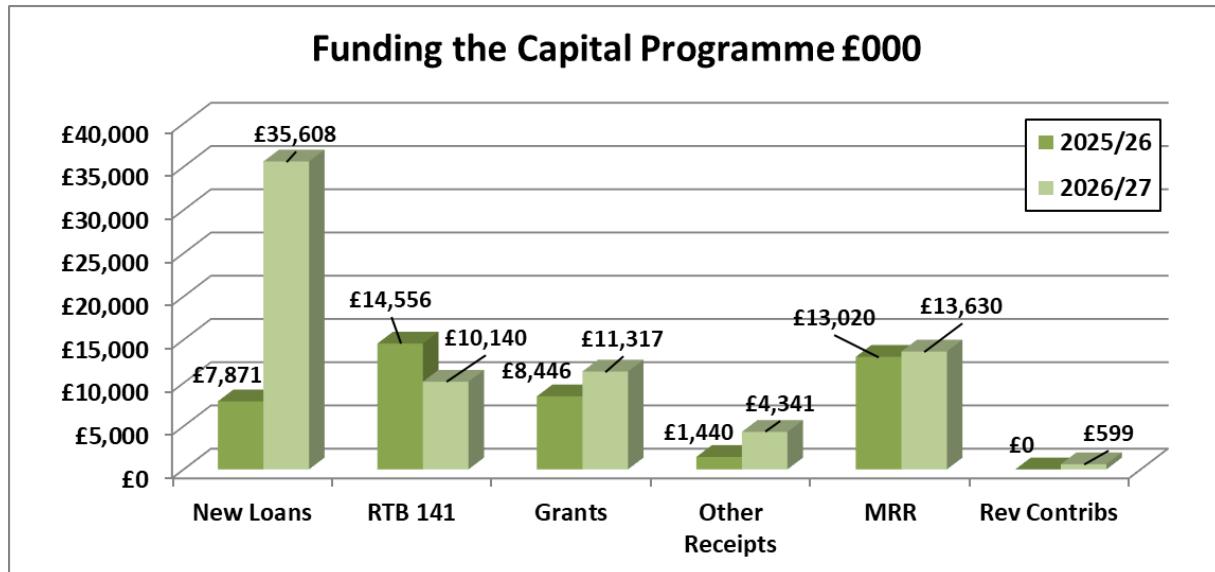
4.8.2. The graph below compares the revised capital programme for 2025/26 and the proposed spend for 2026/27. Work to existing homes is set to increase in line with the additional investment needs identified in recent stock condition surveys, from £23Million to £33Million. New development spend is also set to increase from £21Million to £42Million, due to the timing of the current schemes, as detailed in 4.7.3.



4.8.3. An opportunity has also arisen in the 2025/26 programme that will enable the Council to secure 5 more new homes as part of the Shephall View Scheme. This would

require an additional budget of £1.5Million, but this would be funded by grants secured from Homes England of £1.170Million and a virement from the Oval scheme budget of £330K. This would make the addition of these properties cost neutral to the current capital budget and a recommendation has been included in this report to enable negotiations to be completed within the final quarter of the current financial year.

4.8.4. The table below shows the funding sources for the programme. Due to the increased investment required in the existing housing stock (compared to the previous HRA BP), borrowing will be required to supplement the funding from the Major Repairs Reserve (MRR) that comes from depreciation charges to the HRA. New development will continue to be funded from RTB sale receipts and borrowing supplemented by significant Government grant support from Homes England secured to support qualifying developments.



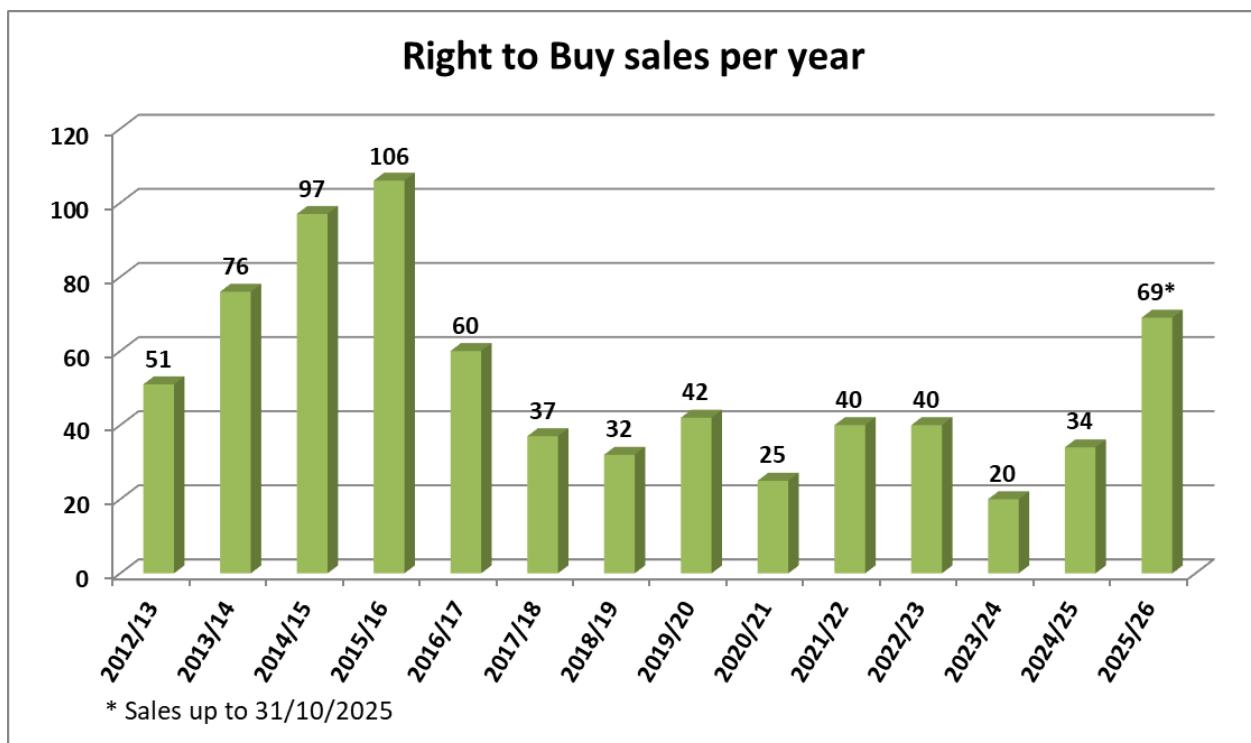
4.9. Use of RTB One for One Receipts

4.9.1. Over the last year there have been significant changes in the RTB system, including the rules the Council have to follow in spending retained sales receipts on new properties. In the summer, the Government confirmed that many of the changes are now in place indefinitely and outlined further changes to the system that they intend to legislate for in the near future. In summary they confirmed that:

- Extension of the changes made in July 2024.
- Cap on purchase of existing properties permanently removed.
- 5 years to spend receipts confirmed (10 years from 2027/28).
- Treasury and local authority pre HRA self-financing deductions from receipts permanently removed from 2026/27.
- RTB receipts can be used with grant funding from 2026/27

- Further changes to discount calculations and qualification times to be legislated when parliamentary time allows.

4.9.2. The change in discounts from a maximum of £104K to £34K in November 2024 led to a large increase in applications before the deadline. Due to the time required to complete these sales, most of these additional applications are due to complete in 2025/26. The chart below shows a significant increase of 69 sales to October, and this is projected to be over 100 by the year end. It is also anticipated that there will be a further 20 sales in 2026/27, but after this the lower discount and further changes to the scheme are likely to reduce future disposals, (estimated to be 8 RTB's per annum from 2027/28). This has given the HRA a larger capital receipt than normal to be spent on replacement properties, under the RTB receipts retention scheme, of an estimated £21Million. However, the latest business plan anticipates that this is a one-off event and future receipts will be much lower.



4.9.3. This bigger than normal RTB receipt will give the Council more flexibility in its replacement programme over the next five years (albeit reduce the housing stock) and the opportunity to combine this with grant funding will enable further development and acquisitions to replace the lost housing stock. The latest business plan projects a further 320 new units will be added over the next five years.

4.10. Final Budget Proposals

4.10.1. The Final 2026/27 HRA budget is estimated to be a net deficit of £243,120, an increase of £802K from the Draft Budget reported to members in December. The table below shows the main movements in the budget, and these are detailed in section 4.6 above.

| Summary of 2026/27 | | |
|--|------------|-------------------|
| Draft HRA 2026/27 budget | | (£558,520) |
| Changes from Draft to Final Budget | | |
| Building Safety growth | £513,070 | |
| Inflation correction | £7,960 | |
| Net change to Insurance after recharges to customers | (£16,030) | |
| Increase in final Apprenticeship Levy estimate | £14,990 | |
| Increase in final General Fund recharges to the HRA | £436,390 | |
| Increase in final HRA recharges to the General Fund | (£136,060) | |
| Net increase in final Electricity estimates | £20,300 | |
| Removal of Rent Convergence | £209,220 | |
| Increase in HRA interest on balances | (£633,220) | |
| Under provision of Salary Inflation | £385,020 | |
| Total Changes: | | £801,640 |
| Final HRA 2026/27 budget | | £243,120 |

4.10.2. A risk assessment of balances has been completed and is in Appendix C to this report. Current minimum balances have increased from last year (£6.3Million to £10Million) to reflect the change in operational risks identified in the latest business plan projections. The need to invest more in the housing stock in the early part of the plan, large savings targets in the medium term and higher borrowing levels, with uncertainty on future interest rates, has meant that it is prudent to hold higher reserves to mitigate against variations in these costs. The HRA balances are expected to exceed the minimum requirement in the 2026/27 budget and these additional funds are held against any potential unknown future service pressures.

| HRA Balances: | 2025/26 | 2026/27 |
|-----------------------------|---------------------|---------------------|
| | £ | £ |
| HRA Balance 1 April | (10,925,848) | (10,337,958) |
| Use of balances in Year | 587,890 | 243,120 |
| HRA Balance 31 March | (10,337,958) | (10,094,838) |
| Minimum Balances | (10,000,000) | (10,000,000) |
| Potential service pressures | (337,958) | (94,838) |

4.11. Consultation

4.11.1. The proposals in this paper have been developed following extensive consultation with Cabinet Members, the Executive Housing Working Group on 26 November 2025

(where they were noted), Senior Executives, and service managers across the Council. They also incorporate customer priorities identified through the recent Tenant Survey.

- 4.11.2 Overview and Scrutiny Committee received a report on the Housing Revenue Account (HRA) budget and rent setting proposals for 2026/27, to be considered by Council on 21 January. It was noted that the HRA report was presented ahead of the General Fund report and that some outstanding issues remained, including General Fund recharges and potential building compliance pressures. These items were expected to move the forecast position from a surplus of approximately £700,000 to a deficit, aligning the position with the HRA Business Plan.
- 4.11.3 Members questioned rent policy, affordability, and financial risks within the HRA, including the impact of CPI plus 1% increases, properties below formula rent, potential EPC upgrade costs and increasing voids and bad debt provision. In response, it was explained that the HRA was highly dependent on rental income and that increases in voids or rent arrears posed significant risks to both revenue and capital programmes, with additional pressures arising from cost-of-living impacts.
- 4.11.4. At the June 2025 Spending Review, the UK Government announced a 10-year rent settlement allowing social housing providers to increase rents annually by September CPI + 1% from April 2026. This was an extension of the previous five-year proposal and was introduced to give housing providers, lenders, and investors greater long-term certainty for planning and investment.
- 4.11.5. In addition, the Government has consulted on a rent convergence mechanism, which would permit additional uplifts of £1 or £2 per week for properties currently below formula rent to accelerate alignment with target levels. This policy aims to ensure fairness and consistency in rent structures while supporting landlords' financial sustainability. The Government has delayed response to the consultation until January 2026 and will need to be included in the 2026/27 budget and MTFS if approved.
- 4.11.6. For the Council, these proposals align with the assumptions in the HRA Business Plan and Medium-Term Financial Strategy, offering an opportunity to improve income streams while maintaining affordability for tenants.

5. IMPLICATIONS

5.1 Financial Implications

- 5.2 Financial implications are detailed within the body of the report. The proposed HRA budget for 2026/27 is underpinned by the updated 30-year HRA Business Plan, which assumes CPI + 1% rent increases and the reintroduction of rent convergence. However, confirmation of rent convergence is not expected until January 2026, creating uncertainty around income projections. The final budget does not include this measure, but if the Government proceed with rent convergence this will generate an additional £209K in 2026/27, with a £1 per week limit, and an additional £3.7Million over the first five years.

5.3 The final budget needs to include additional costs as set out in section 4.6 that has reduced the surplus in the Draft Budget report and is now included in the report to the January Cabinet.

5.4 Legal Implications

5.5 Legal implications are included in the body of the report.

5.6 Staffing Implications

5.7 The unions will be consulted on any options in this report that could have an adverse impact on staffing resources. While the 2026/27 savings programme includes some staffing-related efficiencies, these will be achieved through a review of vacant posts and service redesign only, with no impact on any currently filled posts. Human Resources will co-ordinate the implementation of any staff-related savings arising from the budget process to ensure compliance and workforce stability.

5.8 Risk Implications

Financial Risks

5.9 The HRA faces significant financial risks that could impact its long-term sustainability. Inflation remains a key driver of both income and expenditure and is difficult to predict, influencing rent levels and overall stability. Interest rate volatility and the ability to service increased borrowing forecast to peak at £354 million in 2031/32, pose material challenges, despite assumptions of a gradual reduction to 3.75% in the longer term. Rent policy uncertainty adds further complexity and while a CPI+1% increase has been agreed, the Government has yet to confirm whether rent convergence will be implemented from 2026/27 and beyond. Also, service charge recovery may fall short of expectations.

5.10 Regulatory changes, including evolving Consumer Standards and Building Safety requirements, could increase operating and compliance costs. The Council's commitment to achieving net zero by 2050 presents technical and funding challenges, as decarbonisation costs cannot be fully met from tenant rents under current assumptions. Increased Right to Buy sales, despite revised forecasts, risk reducing rental income and constraining development capacity. In addition, sustained demand for aids and adaptations, currently requiring an additional £600k per annum, and rising rent arrears leading to higher bad debt provisions, represent further pressures on financial resilience. Unexpected build cost inflation and potential supply chain disruptions could add further uncertainty to the delivery of capital programmes and planned works.

5.11 The latest revision of the HRA business plan included specific schemes relating to refurbishment and meeting regulatory requirements for the Council's high rise blocks. Since the business plan was completed and after the appointment of specialist consultancy, the costs of essential and other potential works have been reviewed, informed by both up-to-date surveys and other building safety related information. The outcome of this review suggests that costs are likely to be much higher than previously estimated to remediate the blocks and to ensure compliance with relevant building safety legislation and to meet our commitment as a signatory to the Government's plan to accelerate the remediation of social housing (this covers over 95% of 11m plus buildings, still requiring remediation to their external wall systems, and 75% of the total number of 11m plus social sector buildings in England). The

performance of the high-rise buildings has also been assessed, as part of a separate asset review completed during 2025/26, in line with the current housing asset management strategy (approved in November 2023). The outcomes of this review have also been informed by the updated costs of the building safety and other planned works. The financial implications from these reviews are likely to be significant and have implications for the HRA Business Plan. Therefore, a separate report will be brought to Cabinet to consider the options and associated recommendations that follow on from the completed modelling work that will be undertaken.

5.12 The latest revision of the 30 year HRA Business Plan also includes high revenue savings to balance the demands on the ring fenced account in the medium to long term. By year 10 of the model £5.8Million of total on-going savings will need to have been made from the revenue budget, or reduced capital expenditure and financing costs. This represents a significant fall in expenditure and not meeting this target represents a large financial risk to the account.

Operational and Compliance Risks

5.13 Operational risks include the potential for investment needs to exceed planned expenditure due to evolving Decent Homes and Consumer Standards, as well as compliance with the Building Safety Act. While current requirements apply only to buildings over 18 metres, any change in scope could significantly increase costs. Failure to meet the Social Housing Regulation Act requirements could result in enforcement action or fines, adding further pressure to the HRA. These risks are compounded by the need to maintain compliance with new regulatory frameworks and achieve a C1 grading, which may require additional investment in resident engagement and service improvements. Furthermore, shortages of skilled labour and supply chain disruptions could affect the timely delivery of capital programmes and maintenance works, increasing costs and operational risk.

Strategic and Social Risks

5.14 The Council's commitment to achieving net zero by 2050 presents technical and funding challenges, as decarbonisation costs cannot be fully met from tenant rents under current assumptions. Although funding has been secured for EPC C compliance by 2030, further resources will be required to meet long-term targets as detailed in 5.17 below. Increased Right to Buy sales, despite revised forecasts, could reduce rental income and constrain development capacity. Rising rent arrears and associated bad debt provisions, alongside sustained demand for aids and adaptations, represent further risks to financial resilience. These pressures could lead to increased savings targets and require reprioritisation of capital programmes. Additionally, demographic changes and the need for specialist housing, such as Independent Living Schemes, will require careful planning to ensure future demand is met within financial constraints.

Mitigation Strategy

5.15 To address these risks, the business plan incorporates a minimum £10 million reserve to absorb cost pressures and maintain flexibility. Debt assumptions are regularly reviewed, and capital programmes are monitored to ensure affordability. Rent and service charge policies allow for formula-based adjustments and flexibility on relets, while procurement strategies include forward ordering and support for local SMEs to mitigate inflation and supply chain risks. The Council continues to enhance stock

data, seek external funding for decarbonisation, and implement revised arrears management processes. Compliance with regulatory requirements is supported through gap analysis, improvement plans, and pro-active budget reviews, ensuring the HRA remains robust and adaptable to emerging challenges. Strategic flexibility is maintained through development mix adjustments, including scope to increase affordable rent units where necessary, and by re-profiling capital budgets to meet demand-led pressures such as aids and adaptations.

Equalities and Diversity Implications

- 5.16 In exercising or changing its functions, including service delivery and staffing, the Council must comply with the Equality Act 2010, specifically section 149, which sets out the Public Sector Equality Duty. This duty replaced previous legislation under the Race Relations Act (section 71), the Sex Discrimination Act (section 76A), and the Disability Discrimination Act (section 49A). The Council has a statutory obligation to demonstrate, as part of its decision-making process, that due regard has been given to the needs outlined in the Act. These duties are non-delegable and must be considered by Council when setting the budget in January 2026.
- 5.17 To inform decisions on the 2026/27 Budget, officers have undertaken initial Equality Impact Assessments (EqIAs) for HRA Rent Setting and Service Charges. These assessments will be further developed as proposals are agreed and implemented. Where a potential negative impact has been identified, officers have outlined additional actions required to inform final decisions and, where possible, mitigate adverse effects.
- 5.18 Attached as Appendix D is an EqIA for increasing the rent charged by 4.8% per annum and increased Service Charges including the mitigations that will be implemented to lessen the impact wherever possible.

Climate Change Implications

- 5.19 The anticipated revised Decent Homes Standard and the targets set within the HRA Asset Management Strategy will continue to improve the environmental performance of the existing housing stock. The revised HRA Business Plan includes provision to achieve a minimum EPC rating of C by 2030, supported by the Warm Homes programme, which will retrofit 379 properties by March 2028. However, approximately 2,200 homes will still require investment to meet this standard. While the Council is committed to reducing the environmental impact of its housing stock, full decarbonisation to achieve net zero by 2050 is not included in the current plan due to the estimated additional cost of £110m–£128m, which is unaffordable without significant external funding. The Housing Asset Management Service will continue to review its approach and seek grant funding opportunities to support delivery of energy efficiency improvements, contributing to the Council's Climate Change Strategy and Action Plan.
- 5.20 Future housing developments will incorporate environmental performance considerations within design and specification, introducing technologies and materials that enhance energy efficiency and sustainability, subject to viability and funding availability.

6. BACKGROUND DOCUMENTS

BD1 Final Housing Revenue Account (HRA) Budget Setting and Rent Report 2025/26 - January 2025 Council.

BD2 HRA Business Plan – November 2025 Cabinet.

BD3 Making Stevenage Even Better 2024–2027 Corporate Plan

BD4 Housing Revenue Account Draft Budget and Rent Setting 2026/27 – December 2025 Cabinet

BD5 Housing Revenue Account Final Budget and Rent Setting 2026/27 – January 2026 Cabinet

7. APPENDICES

Appendix A – HRA Summary 2026/27

Appendix B - Fees and Charges 2026/27

Appendix C - Risk Assessment of Balances 2026/27

Appendix D – Rent EQIA 2026/27

Appendix E – HRA Capital Strategy 2026/27

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| APPENDIX A | HOUSING REVENUE ACCOUNT SUMMARY | | | |
|---|---------------------------------|------------------------------------|-----------------------------------|------------------------------------|
| | Actual 2023/24 £ | Original Budget 2025/26 £ | Working Budget 2025/26 £ | Original Budget 2026/27 £ |
| Summary of Expenditure | | | | |
| Supervision and Management | 10,922,941 | 13,317,360 | 12,777,470 | 12,941,030 |
| Special Services | 6,805,960 | 7,670,426 | 7,722,716 | 8,070,170 |
| Rent, Rates, Taxes and Other Charges | 826,362 | 870,784 | 894,784 | 933,920 |
| Repairs and Maintenance ⁽¹⁾ | 18,285,688 | 15,094,930 | 16,153,120 | 16,223,980 |
| Depreciation | 13,381,745 | 13,138,170 | 13,138,170 | 13,512,390 |
| Corporate and Democratic Costs | 1,141,113 | 1,081,490 | 1,081,490 | 1,228,830 |
| Contribution to the Bad Debt Provision | 391,226 | 439,270 | 439,270 | 488,220 |
| Total Expenditure | 51,755,035 | 51,612,430 | 52,207,020 | 53,398,540 |
| Summary of Income | | | | |
| Rental Income: | | | | |
| Dwelling Rents | (48,942,003) | (50,984,660) | (50,798,060) | (53,123,070) |
| Non Dwelling Rents | (82,270) | (104,050) | (104,050) | (110,150) |
| | (49,024,273) | (51,088,710) | (50,902,110) | (53,233,220) |
| Charges for Services & Facilities - Tenants | (3,196,863) | (3,275,840) | (3,275,840) | (3,599,150) |
| Leaseholder Service Charges | (1,552,894) | (1,254,930) | (1,422,930) | (1,531,500) |
| Contributions Towards Expenditure | (371,588) | (365,880) | (433,480) | (387,370) |
| Reimbursement of Costs | (460,432) | (348,540) | (398,540) | (399,040) |
| Recharge Income (GF & Capital) | (2,450,925) | (2,813,320) | (2,588,020) | (2,961,660) |
| Total Income | (57,056,976) | (59,147,220) | (59,020,920) | (62,111,940) |
| Gain/(Loss) on disposal of HRA Non-Current Assets | (3,247,677) | 0 | 0 | 0 |
| Interest Payable | 8,269,717 | 10,146,840 | 8,641,160 | 9,673,830 |
| Interest Receivable | (1,024,664) | (1,444,070) | (739,370) | (1,316,090) |
| Capital grants & Contributions receivable | (9,898,062) | 0 | 0 | 0 |
| Capital Financed from Revenue Contributions | 2,836,926 | 0 | 0 | 598,780 |
| Net (Surplus)/Deficit For Year | (8,365,702) | 1,167,980 | 1,087,890 | 243,120 |
| Movement on the HRA | | | | |
| Accounting basis to funding basis under statute | 13,769,830 | 0 | 0 | 0 |
| Transfer to/(from) Reserves | (5,745,371) | (500,000) | (500,000) | 0 |
| Housing Revenue Account Balance | | | | |
| Net Expenditure/(Income) for Year | (341,243) | 667,980 | 587,890 | 243,120 |
| Balance B/Fwd 1 April | (10,584,605) | (10,925,848) | (10,925,848) | (10,337,958) |
| HRA Balance C/Fwd 31 March | (10,925,848) | (10,257,868) | (10,337,958) | (10,094,838) |

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HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2026/27

| Service | Details | 2025/26 Fee | 2026/27 Proposed Fee | 2026-27 Proposed Increase (£) | 2026-27 Proposed Increase (%) | Working Budget 2025/26 | Budget Increase (from fee proposals) |
|--|--|----------------|----------------------------|--|--|------------------------------|---|
| Housing Revenue Account | | | | | | | |
| Specialist Support | | | | | | | |
| Guest Bedrooms | Silkin Court, Walpole Court, Scarborough Avenue, Southend Close, Pinewoods & Fred Millard. | £14.90 | £16.60 | £1.70 | 11.38% | | |
| Guest flats | Norman Court, Silkin Court | £25.40 | £28.60 | £3.20 | 12.58% | | |
| Short Stay Units | Assessment (per day) | £12.90 | £15.30 | £2.40 | 18.60% | | |
| | Respite* | £25.30 | £28.10 | £2.80 | 11.07% | | |
| | | | | | | 5,704 | 570 |
| Laundry Charges | Independent living/flexicare laundry wash | £3.60 | £3.70 | £0.10 | 2.78% | | |
| | | | | | | 22,144 | -1,534 |
| Room Hire | Hairdressing at Silkin/Fred Millard, (Hourly charge) * | £6.60 | £6.80 | £0.20 | 3.03% | | |
| | Private chiropodist and other services, (per hour) * | £6.60 | £6.80 | £0.20 | 3.03% | | |
| | | | | | | 2,000 | 5 |
| Support Services and Care connect 24/7 for HRA tenants | Housing related support (includes all services shown under careline alarms) | £19.65 | £20.20 | £0.55 | 2.80% | | |
| | Additional pendant for 2nd service user (additional weekly charge) (50 weeks) | £0.50 | £0.55 | | | | |
| | independent living and flexi care support charge for previous HRS protected clients and new residents entitled to HB | £10.50 | £11.00 | £0.50 | 4.76% | | |
| | response service for new customers (50 weeks) | £8.70 | £8.70 | £0.00 | 0.00% | | |
| | Response service to other provider equipment (50 weeks)* | £4.90 | £5.00 | £0.10 | 2.12% | | |
| | Monitoring only service (50 weeks) * | £3.90 | £4.20 | £0.30 | 7.69% | | |
| | | | | | | 587,385 | 13,873 |
| Care Connect 24/7 alarm - private (Shortfall funded from General Fund) | Response service (52 weeks) * | £8.70 | £9.00 | £0.30 | 3.45% | | |
| | Additional pendant (52 weeks)* | £0.60 | £0.70 | | | | |
| | Response service out of area (52 weeks)* | £8.70 | £8.70 | £0.00 | 0.00% | | |
| | Response service to other provider equipment (52 weeks)* | £4.90 | £5.00 | £0.10 | 2.12% | | |
| | Monitoring only service (52 weeks) * | £3.90 | £4.20 | £0.30 | 7.69% | | |
| | | | | | | 128,000 | 2,600 |
| | Winkhaus keys | £15.90 | £15.90 | £0.00 | 0.00% | | |
| | Fobs - Sheltered Schemes (Black) | £25.40 | £26.20 | £0.80 | 3.13% | | |
| | Fobs - Sheltered Schemes (Shark) | £15.20 | £15.70 | £0.50 | 3.26% | | |
| Replacement Pendants | Tynetec pendant | £66.10 | £68.10 | £2.00 | 3.03% | | |
| | Chiptech | £58.30 | £60.00 | £1.70 | 2.92% | | |
| Key safe | Supply | £23.20 | £23.90 | £0.70 | 3.02% | | |
| | | | | | | 4,177 | 37 |
| General Needs Tenants and Leaseholders: | | | | | | | |
| Key Fobs | Old Style "Black fobs"** | £25.40 | £26.20 | £0.80 | 3.13% | | |
| | New "Shark" Fobs* | £15.20 | £15.70 | £0.50 | 3.26% | | |
| Communal door entry keys | Replacement keys for entry doors to flat blocks. | £24.30 | £25.00 | £0.70 | 2.88% | | |
| Laundry charges - Roundmead | Wash tokens | £6.90 | £7.10 | £0.20 | 2.90% | | |
| | Dry Tokens | £3.70 | £3.80 | £0.10 | 2.81% | | |
| Management Fees for Westwood Court & Kilner Close | Administration Fees | £1.40 | £1.45 | £0.05 | 3.28% | | |
| Joint to Sole | Administration Fees | £0.00 | £50.00 | £50.00 | New Charge | | |
| Sole to Joint | Administration Fees | £0.00 | £50.00 | £50.00 | New Charge | | |
| Mutual Exchanges | Administration Fees | £0.00 | £50.00 | £50.00 | New Charge | | |
| Non-Statutory Succession | Administration Fees | £0.00 | £50.00 | £50.00 | New Charge | | |
| | | | | | | 1,987 | 3,059 |

HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2026/27

| Service | Details | 2025/26 Fee | 2026/27 Proposed Fee | 2026-27 Proposed Increase (£) | 2026-27 Proposed Increase (%) | Working Budget 2025/26 | Budget Increase (from fee proposals) |
|---|--|-------------|----------------------|-------------------------------|-------------------------------|------------------------|--------------------------------------|
| Stores | Use of store | £7.70 | £7.90 | £0.20 | 2.60% | | |
| Lock change | Callout | £167.80 | £173.00 | £5.20 | 3.10% | | |
| | Admin charge | £60.10 | £61.90 | £1.80 | 3.00% | | |
| | | | | | | | |
| | | | | | | 17,521 | 381 |
| Tenant's Retrospective Charges | | | | | | | |
| Inspection charge - depending on cost of work | From £0 to £999 | £258.80 | £267.00 | £8.20 | 3.17% | | |
| | From £1,000 to £1,999 | £264.30 | £272.00 | £7.70 | 2.91% | | |
| | From £2,000 to £2,999 | £286.30 | £295.00 | £8.70 | 3.04% | | |
| | From £3,000 to £3,999 | £297.30 | £306.00 | £8.70 | 2.93% | | |
| | From £4,000 to £4,999 | £352.40 | £363.00 | £10.60 | 3.01% | | |
| | From £5,000 to £5,999 | £473.50 | £487.00 | £13.50 | 2.85% | | |
| Administration | Administration | £187.20 | £193.00 | £5.80 | 3.10% | | |
| | | | | | | 6,720 | 0 |
| Leasehold charges for services (VAT not applicable. All fees are additional income for SBC) | | | | | | | |
| Solicitors enquiries/standard pre-sale enquiries* | 10 working day response - from date of payment | £209.20 | £215.00 | £5.80 | 2.77% | | |
| Solicitors enquiries/standard pre-sale enquiries* | 3 working day response - from date of payment | £319.30 | £329.00 | £9.70 | 3.04% | | |
| Re-mortgage enquiries* | Enquiries raised at a time of remortgaging | £99.10 | £102.00 | £2.90 | 2.93% | | |
| Redemption of Mortgage | Enquiries raised at a time of remortgaging | £115.00 | £119.00 | £4.00 | 3.48% | | |
| Applications for consent for additional borrowing and Postponement of Right To Buy | Enquiries raised at a time of remortgaging | £90.00 | £93.00 | £3.00 | 3.33% | | |
| Discount Charge | | | | | | | |
| Copy of lease* | fee for providing a copy of the lease | £49.50 | £51.00 | £1.50 | 3.03% | | |
| Copy Transfers | fee for providing a copy of the lease | £50.00 | £52.00 | £2.00 | 4.00% | | |
| Copies of quarterly service charge invoice* | additional inspection fee | £44.00 | £45.30 | £1.30 | 2.95% | | |
| Copies of service charge estimate or actual statement* | additional inspection fee | £44.00 | £45.30 | £1.30 | 2.95% | | |
| Deed of Postponement | | £143.10 | £147.00 | £3.90 | 2.73% | | |
| Notice of Charge | | £49.50 | £51.00 | £1.50 | 3.03% | | |
| Notice of Transfer/Assignment | | £49.50 | £51.00 | £1.50 | 3.03% | | |
| Lease extension | Valuation fee | £385.40 | £397.00 | £11.60 | 3.01% | | |
| | Legal fee | £836.90 | £862.00 | £25.10 | 3.00% | | |
| | Administration fee | £198.20 | £204.00 | £5.80 | 2.93% | | |
| | Deposit - £260 or 10% of the premium, whichever is higher | £286.30 | £295.00 | £8.70 | 3.04% | | |
| Collective enfranchisement | Valuation fee | £803.80 | £828.00 | £24.20 | 3.01% | | |
| | Legal fee | £836.90 | £862.00 | £25.10 | 3.00% | | |
| | Administration fee | £198.20 | £204.00 | £5.80 | 2.93% | | |
| Consent fee/sub let fee | Cost of requesting permission to sublet the property | £77.10 | £79.40 | £2.30 | 2.98% | | |
| | | | | | | 0 | 5,280 |
| Leasehold Alterations | | | | | | | |
| Minor alterations - these are internal works within the demised premises that do not require planning permission or building control approval | Pre-application advice (non-refundable) | £220.20 | £227.00 | £6.80 | 3.09% | | |
| | Minor application consideration and decision (non-refundable) | £440.50 | £454.00 | £13.50 | 3.06% | | |
| | Letter licence - deed | £297.30 | £306.00 | £8.70 | 2.93% | | |
| | Full licence - issued by Building Surveyor | £451.50 | £465.00 | £13.50 | 2.99% | | |
| | Extension of the letter licence period | £264.30 | £272.00 | £7.70 | 2.91% | | |
| Major alterations | Pre-application advice (non-refundable) | £264.30 | £272.00 | £7.70 | 2.91% | | |
| | Major application consideration and decision (non-refundable) | £715.70 | £737.00 | £21.30 | 2.98% | | |
| | Landlord licence - deed | £517.50 | £533.00 | £15.50 | 3.00% | | |
| | Supplemental lease/deed of variation additional premises/restrictions) | £231.20 | £238.00 | £6.80 | 2.94% | | |
| | Extension of the letter licence period | £352.40 | £363.00 | £10.60 | 3.01% | | |
| Minor alterations - these are internal works within the demised premises that do not require planning permission or building control approval | Pre-application advice (non-refundable) | £313.80 | £323.00 | £9.20 | 2.93% | | |
| | Minor application consideration and decision (non-refundable) | £578.10 | £595.00 | £16.90 | 2.92% | | |
| | Retrospective letter licence | £473.50 | £488.00 | £14.50 | 3.06% | | |

HOUSING REVENUE ACCOUNT FEES AND CHARGE PROPOSED 2026/27

| Service | Details | 2025/26 Fee | 2026/27 Proposed Fee | 2026-27 Proposed Increase (£) | 2026-27 Proposed Increase (%) | Working Budget 2025/26 | Budget Increase (from fee proposals) |
|---|---|-------------|----------------------|-------------------------------|-------------------------------|------------------------|--------------------------------------|
| | | £0.00 | | | | | |
| Major alterations | Pre-application advice (non-refundable) | £357.90 | £369.00 | £11.10 | 3.10% | | |
| | Major application consideration and decision (non-refundable) | £1,035.10 | £1,066.00 | £30.90 | 2.99% | | |
| | Supplemental lease (extension of demised premises) | £451.50 | £465.00 | £13.50 | 2.99% | | |
| | Landlord licence - deed | £737.80 | £760.00 | £22.20 | 3.01% | | |
| Unauthorised alterations (The cost of this will depend on whether it is Minor or Major Works and the figure given is the minimum for major works) | Minor assessment and ruling | £550.60 | £567.00 | £16.40 | 2.98% | | |
| | Major assessment and ruling | £814.90 | £839.00 | £24.10 | 2.96% | | |
| | Stop and make safe notification (including liaison with other council officers) | £401.90 | £414.00 | £12.10 | 3.01% | | |
| | Re-instatement minor works | £814.90 | £839.00 | £24.10 | 2.96% | | |
| | Re-instatement major works | £1,079.10 | £1,111.00 | £31.90 | 2.96% | | |
| | GRAND TOTAL | | | | | 0 | 0 |
| | | | | | | £775,638 | £24,271 |

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APPENDIX C: RISK BASED ASSESSMENT OF THE LEVEL OF HOUSING REVENUE ACCOUNT BALANCES
2026/27

| Potential Risk Area | Comments including any mitigation factors | | |
|--|---|-------------------------|--------------------------|
| Income from areas within the base budget where the Council raises "Fees and Charges" | There is a potential risk that the budgeted income from activities where the Council charges for services will not be achieved. This is largely anticipated due to the challenging economic conditions, but could also result from increased void rates, lower collection rates, and disputed bills. All "fees and charges" income is reviewed as part of the quarterly budget monitoring process. Budgets are profiled over the year based on previous experience. | | |
| Calculated Risk | | | |
| Specific Areas | Estimated Income | Risk assessed at | Balances Required |
| Rechargeable works not raised or recovered | £153,790 | 10.00% | £15,379 |
| Leaseholder charges not realised (excluding insurance) | £1,480,210 | 5.00% | £74,011 |
| Rental income (increase in voids rates) | £53,332,290 | 1.00% | £533,323 |
| Service Charges (increase in voids rates) | £3,567,320 | 1.00% | £35,673 |
| Heating charges | £639,350 | 5.00% | £31,968 |
| Total | | | £690,353 |

| Potential Risk Area | Comments | | |
|--|--|-------------------------|--------------------------|
| Demand Led Budgets | There is a potential risk that spending on parts of the budget where the Council has a legal duty to provide services will increase significantly, including due to regulatory requirements. Individual budgets are reviewed as part of the quarterly budget monitoring process. Budgets are profiled over the year based on previous experience, so any variances should be identified during the year. | | |
| Calculated Risk | | | |
| Specific Areas | Estimated Exposure | Risk assessed at | Balances Required |
| Storm damage and fire damage uninsured costs (excess is £25,000 for fire damage) | £25,000 | 100.00% | £25,000 |
| Response and Emergency repairs increase as a result of inflationary pressures or unforeseen repairs | £15,859,220 | 10.00% | £1,585,922 |
| Unforeseen Capital works not budgeted for requiring a contribution to capital (based on a proportion of the capital programme) | £75,635,000 | 3.00% | £2,269,050 |
| Inflation pressures on capital works requiring additional revenue resources to fund the shortfall | £75,635,000 | 1.00% | £756,350 |
| There is an insufficient budget identified for Void, Fencing, Aids and Adaptation, and Damp and Mould and compliance work. | £1,500,000 | 50.00% | £750,000 |
| Total | | | £5,386,322 |

| Potential Risk Area | Comments including any mitigation factors | | |
|---|---|-------------------------|--------------------------|
| Changes since budget was set | Potential risk that things change since the budget estimates were made and the estimates are then under budgeted for. | | |
| Calculated Risk | | | |
| Specific Areas | Estimated Exposure | Risk assessed at | Balances Required |
| Transitional Vacancy Rate 4.5% not achieved | £372,420 | 5.00% | £18,621 |
| Increase in bad debt provision | £488,220 | 5.00% | £24,411 |
| Utility inflation (Electricity increase in April 2025, Gas increase from Oct 2025) | £1,428,280 | 5.00% | £71,414 |
| Pay award is higher than budgeted for | £14,494,050 | 1.00% | £144,941 |
| Total | | | £259,387 |

**APPENDIX C: RISK BASED ASSESSMENT OF THE LEVEL OF HOUSING REVENUE ACCOUNT BALANCES
2026/27**

| Potential Risk Area | Comments including any mitigation factors | | | |
|--|--|-------------------------|------------------------|--------------------------|
| Other Risks | Potential risk that savings options will not be realised as a result of delay or unforeseen circumstances. | | | |
| Specific Areas | Estimated Exposure | Risk assessed at | Calculated Risk | Balances Required |
| Savings Options delayed or not realised over Medium Term (5 yrs) | £4,165,390 | 22.00% | | £900,050 |
| Total | | | | £900,050 |

| Potential Risk Area | Comments including any mitigation factors | | | |
|---|--|-------------------------|------------------------|--------------------------|
| Estimated balances required for any over spend or under -recovery of expenditure | This calculation replaces the calculation based on Net Expenditure | | | |
| Specific Areas | Estimated Exposure | Risk assessed at | Calculated Risk | Balances Required |
| Gross Expenditure (excluding fixed interest costs and depreciation and RCCO and cost covered above) | £1,633,750.00 | 5.00% | | £78,770 |
| Total | | | | £78,770 |

| Potential Risk Area | Comments including any mitigation factors | | | |
|---|---|-------------------------|------------------------|--------------------------|
| Greater exposure to interest rate changes | The latest Business Plan revision includes re-financing of existing debt and a higher level of borrowing in the first 5 years of the plan. To mitigate this reserve values have been increased related to future debt | | | |
| Specific Areas | Estimated Exposure | Risk assessed at | Calculated Risk | Balances Required |
| 5 Year Assumed new borrowing - interest rates 1.25% higher than projected | £214,789,000 | 1.25% | | £2,684,863 |
| Total | | | | £2,684,863 |

Level of Balances Assumed in Housing Revenue Account Based on risk

£10,000,000



HRA: Rent and Service Charge 2026/27

Equality Impact Assessment (EqIA) Form

December 2025 – December 2026

| | |
|-------------------------------|---|
| Date created | November 2025 |
| Approved by | Executive/SLT |
| Owner | Assistant Director for Housing and Neighbourhoods |
| Version | 1 |
| Author | Simon Kiff, Head of Housing Operations |
| Business Unit and Team | Housing and Neighbourhoods, Housing Management |

Please [click this link](#) to find the EqIA guidance toolkit for support in completing the following form.

For translations, braille or large print versions of this document please email
equalities@stevenage.gov.uk.

First things first:

Does this policy, project, service, or other decision need an EqIA?

| | |
|---|-----|
| Title: HRA Rent and Service Charges 2026/27 | |
| Please answer Yes or No to the following questions: | |
| Does it affect staff, service users or the wider community? | Yes |
| Has it been identified as being important to particular groups of people? | Yes |
| Does it or could it potentially affect different groups of people differently (unequal)? | Yes |
| Does it relate to an area where there are known inequalities or exclusion issues? | Yes |
| Will it have an impact on how other organisations operate? | No |
| Is there potential for it to cause controversy or affect the council's reputation as a public service provider? | Yes |

| | |
|--|-----|
| Where a positive impact is likely, will this help to: | |
| Remove discrimination and harassment? | Yes |
| Promote equal opportunities? | Yes |
| Encourage good relations? | Yes |

If you answered 'Yes' to one or more of the above questions you should carry out an EqIA.

Or if you answered 'No' to all of the questions and decide that your activity doesn't need an EqIA you must explain below why it has no relevance to equality and diversity.

You should reference the information you used to support your decision below and seek approval from your Assistant Director before confirming this by sending this page to equalities@stevenage.gov.uk.

Equality Impact Assessment Form

For a policy, project, strategy, staff or service change, or other decision that is new, changing or under review

| What is being assessed? | | HRA Rent and Service Charges 2026/27 | | | |
|--|------------|--------------------------------------|------------|-----------------|---|
| Lead Assessor | Simon Kiff | | | Assessment team | Elizabeth Ddamulira Keith Reynoldson |
| Start date | April 2026 | End date | March 2027 | | |
| When will the EqIA be reviewed? (Typically every 1 year) | Nov 2026 | | | | |

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| | |
|--|--|
| Who may be affected by the proposed project? | All tenants |
| | To assess the impact of the proposed rent increase and Service charge increase for 2026/27 on Stevenage Council tenants. |
| What are the key aims of the proposed project? | <p>As part of the government's 10-year rent settlement for social housing, announced in the Spending Review 2024, the government has confirmed that rents for social housing will be allowed to increase by Consumer Prices Index (CPI) +1% annually starting from 1 April 2026. However, a key aspect of this new settlement is the implementation of Social Rent convergence for properties where rents are currently below 'formula rent'.</p> <p>For 2026/27 the permitted increase to rents is CPI plus 1%, based on the September 2026 CPI figure. This follows the previous Government's extension of the current settlement by one year. Rent increases will be permitted at up to 4.8 per cent after CPI rose by 3.8 per cent in the 12 months to September 2026.</p> |

To increase the rent on dwellings from week commencing 6 April 2026 by 4.8%, which is an average increase to £128.72 for social rents, £193.21 for affordable rents and £158.43 for Low Start Shared Ownership homes per week (based on a 52-week year). This has been calculated in accordance with the current Rent Standard issued by the Government and the Council's Rent and Service Charge Policy which provides a framework for setting rents and service charges within legislative requirements. The rent and service charge income underpins the delivery of the Housing Revenue Account Business Plan's key housing objectives to deliver effective services, to invest in its properties to ensure homes are of a modern standard and to provide new social housing to rent. The policy has been reviewed and is subject to governance approvals.

Rent convergence will allow Social Rent properties that are currently charging rents below the 'formula rent' to gradually increase above the CPI +1% cap until they "converge" with the national formula rent level. This means that rents will rise by an additional amount each year, above the CPI +1% limit, until they match the formula rent target.

This mechanism was originally introduced in 2002 but was scrapped in 2015. With the new rent settlement, the government is set to reintroduce this convergence mechanism, but the precise implementation details are not expected until January 2026.

Rent convergence could have significant implications for tenants, particularly those in Social Rent properties where rents are currently below the formula rent level. These tenants may face higher annual rent increases than under the standard CPI +1% cap

However, whether it is £1, £2, or £3, this increase will still be covered by Universal Credit (UC) or Housing Benefit (HB) as long as the rent does not exceed the Local Housing Allowance (LHA) rates. Council rent levels are still within this rate so will not be affected. This is a crucial point for assessing the impact on different protected characteristic groups, as it means that tenants receiving benefits will not be financially burdened by the rent increase.

What positive measures are in place (if any) to help **fulfil our legislative duties** to:

| | | | | | |
|------------------------------------|--|-----------------------------|--------------------------------------|--------------------------|--|
| Remove discrimination & harassment | | Promote equal opportunities | The aim of the Rent & Service Charge | Encourage good relations | |
|------------------------------------|--|-----------------------------|--------------------------------------|--------------------------|--|

| | | | | | |
|--|--|--|--|--|--|
| | | | Policy is to provide a fair method of calculating rents and service charges for all of our tenants. It also aligns with the Council's Concessions for Fees and Charges Policy, and the principle of recovering the cost of providing services. | | |
|--|--|--|--|--|--|

| | |
|---|---|
| What sources of data / information are you using to inform your assessment? | <ul style="list-style-type: none"> • Policy Statement on Rents for Social Housing, February 2019 • Direction on the Rent Standard, 2019 • Welfare Reform and Work Act 2016 • Housing and Planning Act 2016 • Rent and service charge policy agreed by Exec December 2019 and recommended to Council in January 2020 • Rent account information • Housing System data (NEC) • Supported housing service data |
|---|---|

| | |
|--|---|
| In assessing the potential impact on people, are there | <p>The average rent increase for 2026/27 is 4.8%, in line with the current rent standard.</p> <p>When calculating rents and service charges, consideration will be taken of the need to balance any increase in the combined rent and service charge with the potential financial impact on</p> |
|--|---|

any overall comments that you would like to make?

customers. This relates to 35% of homes to which a service charge applies, which are predominantly flats as well as sheltered accommodation. The Council aims to recover the actual cost of providing the service, as they change due to inflationary pressures and changes in usage.

The impact of the 2026/27 rent increase and service charges is

- 7,341 homes or 93% receive a rent and service charge increase below £7 per week;
- If rent convergence is agreed by the Government with a £1 cap, 7,451 homes or 94% will receive a rent and service charge increase below £8.50 per week.

We had 6,703 general social rented properties, 65 affordable rent properties, 836 Independent Living/Flexicare Accommodation and 79 LSSO as at October 2026. The setting of a proportion of new build lets at affordable rents will contribute positively to increasing the supply of new homes in Stevenage. All target groups will benefit given the need for affordable housing is common across all socio-economic and minority groups. The current low supply of new affordable housing and the high cost of the private rented sector in Stevenage have impacted adversely on those groups whose incomes are average or below average.

This also further supports work with people who need help to live independently at home and those at risk of homelessness, through wider housing options, continued provision of support, and financial assistance for adaptations and more homelessness preventative programmes, respectively.

Any groups that are potentially disadvantaged are still expected to be able to benefit from a council property set at a social rent and receive benefit support to cover affordable rent properties.

Evidence and Impact Assessment

Explain the potential impact and opportunities it could have for people in terms of the following characteristics, where applicable:

| Age | | | | | |
|-----------------|--|-----------------|---|----------------|--|
| Positive impact | | Negative impact | Residents may be experiencing exceptional economic hardship as a result of the current economic environment. This may have a greater impact on older people and disabled people, who may have additional needs for heating and to run particular equipment and may also have lower income / be reliant on pensions and/or benefits (which have been increased in line with inflation). However, the rent increase including any rent convergence will be covered by UC or HB for those on low income. | Unequal impact | The increase is applied to all properties; it is not possible to exempt any particular groups. A proportion of tenants may see an increase in service charges in any given year. The majority of tenants who are charged for services live in flats and/or independent living accommodation. Tenants living in independent living do so because they have additional needs that require support relating to age, disability or both. The minimum age for entry into independent living is 60 years and data from Northgate indicates that the proportion of tenants aged 60+ in independent living, is almost three times the proportion for all tenant housing. In relation to flat blocks, the data indicates that there is a higher proportion of people aged 18-29 years in flat blocks compared with all SBC housing who may also struggle to pay. For people living in independent living/flexicare schemes, in addition to basic rent and service charges, those who pay for the support/emergency response services that are not eligible for Housing benefit may see an increase in overall payment due each week. We currently know that the general economic challenges and Cost of Living |

| | | | | | |
|--|---|--|--|--|---|
| | | | | | are disproportionately of particular risk to older people and those with underlying conditions. This may result in this age group incurring extra expenses that may affect their ability to pay rent and service charges. |
| Please evidence the data and information you used to support this assessment | See page 5 | | | | |
| What opportunities are there to promote equality and inclusion? | Ongoing and day to day consultation will take place with residents in 2026/27 to establish the impact of the rent & service charge increase. Please also refer to the mitigations outlined in the socio-economic section below, most of which will also apply to this protected characteristic group. | What do you still need to find out? Include in actions (last page) | | | |

| Disability e.g., physical impairment, mental ill health, learning difficulties, long-standing illness | | | | | |
|---|-------------------------|--|---|--|--|
| Positive impact | Negative impact | Residents may be experiencing exceptional economic hardship as a result of the cost of living crisis, and increases in energy, food, and fuel costs in particular. This may have a greater impact on people with a disability, who may have additional needs for heating and to run particular equipment, and may also have lower income / be reliant on benefits (which have been increased in line with inflation) The Welfare Advice and Debt team will provide to support to ensure that this group attracts maximum income to through benefits, however the rent increase including any rent convergence will be covered by UC or HB for those on low income. | Unequal impact | The increase is applied to all properties; it is not possible to exempt any particular groups. Northgate data on tenants in relation to disability is collected at the lettings stage and in most cases their circumstances may change and recorded as and when we are updated. Some tenants may not have provided it. | |
| Please evidence the data and information you used to support this assessment | See page two and three. | | | | |
| What opportunities are there to promote | | | What do you still need to find out? Include in actions (last page) | | |

equality and inclusion?

| Gender Reassignment | | | | |
|--|--|-----------------|--|----------------|
| Positive impact | | Negative impact | | Unequal impact |
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | | |
| What opportunities are there to promote equality and inclusion? | | | What do you still need to find out? Include in actions (last page) | |

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| Marriage or Civil Partnership | | | | |
|--|--|-----------------|--|----------------|
| Positive impact | | Negative impact | | Unequal impact |
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | | |
| What opportunities are there to promote equality and inclusion? | | | What do you still need to find out? Include in actions (last page) | |

| Pregnancy & Maternity | | | | |
|----------------------------------|--|-----------------|--|----------------|
| Positive impact | | Negative impact | | Unequal impact |

| | | | |
|--|--|--|--|
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | |
| What opportunities are there to promote equality and inclusion? | | What do you still need to find out? Include in actions (last page) | |

| Race | | | | | |
|--|--|-----------------|--|----------------|--|
| Positive impact | | Negative impact | | Unequal impact | |
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | | | |
| What opportunities are there to promote equality and inclusion? | | | What do you still need to find out? Include in actions (last page) | | |

| Religion or Belief | | | | | |
|--|--|-----------------|--|----------------|--|
| Positive impact | | Negative impact | | Unequal impact | |
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | | | |

| | | | |
|---|--|--|--|
| What opportunities are there to promote equality and inclusion? | | What do you still need to find out? Include in actions (last page) | |
|---|--|--|--|

Sex

| Positive impact | | Negative impact | | Unequal impact |
|--|--|-----------------|--|----------------|
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | | |
| What opportunities are there to promote equality and inclusion? | | | What do you still need to find out? Include in actions (last page) | |

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Sexual Orientation e.g., straight, lesbian / gay, bisexual

| Positive impact | | Negative impact | | Unequal impact |
|--|--|-----------------|--|----------------|
| Please evidence the data and information you used to support this assessment | There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups. | | | |
| What opportunities are there to promote equality and inclusion? | | | What do you still need to find out? Include in actions (last page) | |

Socio-economic¹

e.g., low income, unemployed, homelessness, caring responsibilities, access to internet, public transport users, social value in procurement

| | | | | | |
|--|---|-----------------|--|----------------|--|
| Positive impact | | Negative impact | Rent and Service Charge increase could negatively affect residents in a lower socio-economic standing as they will have a financial challenge. | Unequal impact | |
| Please evidence the data and information you used to support this assessment | Northgate reports on those in rent and service charge arrears and those supported. At the end of Q2 2026 35% were in rent arrears. | | | | |
| What opportunities are there to promote equality and inclusion? | Identify and support those who are struggling utilising various support streams such as downsizing for those who are under occupying. | | What do you still need to find out? Include in actions (last page) | | |

Additional Considerations

Please outline any other potential impact on people in any other contexts

| | | | | | |
|-----------------|--|-----------------|--|----------------|--|
| Positive impact | | Negative impact | The rent increase for 2026/27 will be applied across all tenancies regardless of circumstances. Those reliant on Housing Benefit (HB) and Universal Credit (UC) Housing costs to cover their full rent and | Unequal impact | |
|-----------------|--|-----------------|--|----------------|--|

¹Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

| | | | | |
|--|--|--|---|--|
| | | | <p>eligible service charges will not be affected by the increase in rent and service charges as their benefit award will be recalculated. Those who receive partial or do not receive any benefits and experience affordability challenges will be supported accordingly.</p> <p>The number of bids on the new build properties let at affordable rents are similar to the number received for new build let at social rents. There is a mixture of employed and unemployed applicants. Applicants in receipt of benefits are not excluded or unfairly treated.</p> <p>Those who receive services for which a service charge is made will be charged the actual cost of those services. Heating and Water charges are exempt from HB and tenants are expected to pay this from other income or benefits.</p> <p>Residents may be experiencing exceptional economic hardship as a result of the current economic environment with increases in energy, food, and fuel costs in particular. We will use the Household Support Fund to assist those identified as in need.</p> <p>Households in the general rented homes, especially those on lower incomes, in general pay more of their income on housing costs and have less resilience to cope with financial shocks. This is anticipated to lead to a significant increase in fuel poverty. Income services Team will</p> | |
|--|--|--|---|--|

| | | | | | |
|--|--|---|---|--|--|
| | | | monitor this and provide or signpost to support. | | |
| Please evidence the data and information you used to support this assessment | See page two and three | | | | |
| What opportunities are there to promote equality and inclusion? | <p>The policy allows for capping of service charges, subject to any legal constraints. As a means of mitigating the impact of an increase that would cause hardship, the council may subsidise the costs.</p> <p>Rent increase information will be published on the Council website early February 2026 to start preparing tenants.</p> <p>The rent notification letter (to be sent out at the end of February) will offer tenants the opportunity to discuss any queries they have with staff. It will explain why the rent has increased and also explain any increase in service charges.</p> <p>Where support charges are also included (mainly but not exclusively for sheltered and flexi care schemes) separate notifications will be sent out to these residents to ensure it is clearly set out how each element of the weekly charge is made up.</p> | What do you still need to find out? Include in actions (last page) | Staff in the Income Services and Finance team will closely monitor, through day-to-day income management and tenant account management, to establish the impact of the rent & service charge increase and put in place systems to mitigate this accordingly. This is done in April and May. Please also refer to the mitigations outlined in the socio-economic section above | | |

| | | | |
|--|--|--|--|
| | <p>To ensure that this is explained as clearly as possible there will be a FAQ sheet and details on the website and hard copies available for those who need them.</p> <p>The policy states that the Council will have regard to the Local Housing Allowance when setting affordable rents. If affordable rents are set at this level, HB/ UC housing cost will cover the rent in full for those tenants who are entitled to the maximum amount of housing benefit. Setting at the Local Housing Allowance will also benefit tenants who are, for example on a low wage or zero-hour contracts and where partial housing benefit can be paid.</p> <p>For those moving into Affordable Rent (AR) properties a comprehensive affordability assessment is carried out prior to offer to ensure that the tenancy is sustainable.</p> <p>The implementation of the policy in respect of Affordable Rent will be kept under review by the Housing Development Working Group and should adverse impacts be identified this will inform future decision making in this regard.</p> <p>Support provision for this group has been increased as part of an Income Recovery Action plan and it has been extended for a further 2 years to ensure</p> | | |
|--|--|--|--|

| | | | |
|--|---|--|--|
| | <p>that they can pay through sustainable arrangements to maintain payments towards rent and service charges and have access to required support.</p> <p>The Council will make links to support and guidance clear on all of its communication platforms.</p> <p>The Council will prepare staff to enable them to respond effectively and empathetically with tenants.</p> | | |
|--|---|--|--|

Consultation Findings

Document any feedback gained from the following groups of people:

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| | | | |
|-------------------------------|--|------------|--|
| Staff? | N/A | Residents? | Staff in the income services and Finance team will closely monitor through day-to-day income management and tenant account management to establish impact of the rent & service charge increase and put in place systems to mitigate this accordingly. This is done in April and May. Please also refer to the mitigations outlined in the socio-economic section above. |
| Voluntary & community sector? | N/A | Partners? | N/A |
| Other stakeholders? | The report will go through the Council's pre-budget scrutiny meetings before being presented to the Full Council in January. | | |

Overall Conclusion & Future Activity

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| Explain the overall findings of the assessment and reasons for outcome (please choose one): | | |
|---|-------------------------|--|
| 1. No inequality, inclusion issues or opportunities to further improve have been identified | | |
| Negative / unequal impact, barriers to inclusion or improvement opportunities identified | 2a. Adjustments made | |
| | 2b. Continue as planned | <p>The future viability of the HRA Business Plan is reliant upon us being able to maximise income collection, recover arrears and the costs of service provision where it is possible to do so.</p> <p>Only a proportion of new builds will be at affordable rent in line with the revised HRA Budget plan. The proposal to offer a mix of new build rents at affordable rent levels and at social rent levels would result in additional income to the HRA over 30 years which makes a significant contribution to the sustainability of the plan and the Council's ability to build new homes and to deliver other housing priorities.</p> |
| | 2c. Stop and remove | |

| Detail the actions that are needed as a result of this assessment and how they will help to remove discrimination & harassment, promote equal opportunities and / or encourage good relations : | | | | |
|---|--|---------------------|----------|---|
| Action | Will this help to remove, promote and / or encourage? | Responsible officer | Deadline | How will this be embedded as business as usual? |
| Monitor through day to day income management and tenant account management to establish to establish the | Remove discrimination and promote equal opportunities. | Elizabeth Ddamulira | Oct 2026 | Current practice is to assess cases or groups that are experiencing challenges and putting in place processes |

| | | | | |
|---|---|--|--|----------------------------------|
| impact of the rent increase challenges relating to affordability and provide tenants with support accordingly | Put in place systems to mitigate this accordingly | | | and systems to mitigate impacts. |
| | | | | |

To be Approved by Cabinet (December 2026)

Date: 10/12/2026

Please send this EqIA to equality@stevenage.gov.uk for critical friend feedback and for final submittance with the associated project.

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APPENDIX E - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

| Scheme | 2025/26 | 2025/26 | 2025/26 | 2026/27 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 |
|--|---------------------|-----------------------------------|----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | Q2 Capital Strategy | HRA Budget 26/27 Capital Strategy | Variance 26/27 Budget v Q2 | HRA Budget 26/27 Capital Strategy |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| SUMMARY | | | | | | | | |
| Capital Programme Excl New Build (Housing Inv) | 22,665,090 | 22,665,090 | | 33,068,555 | 30,882,238 | 30,173,478 | 30,281,460 | 29,530,314 |
| New Build (Housing Development) | 16,405,476 | 17,575,476 | 1,170,000 | 42,347,192 | 13,796,808 | 6,500,000 | 11,000,000 | 8,400,000 |
| Other Capital Schemes | 316,037 | 316,037 | | 219,000 | 1,120,000 | 1,287,400 | 922,084 | 784,000 |
| TOTAL HRA CAPITAL PROGRAMME | 39,386,603 | 40,556,603 | 1,170,000 | 75,634,747 | 45,799,046 | 37,960,878 | 42,203,544 | 38,714,314 |
| HRA USE OF RESOURCES | | | | | | | | |
| MRR (Self Financing Depreciation) | 13,138,170 | 13,138,170 | | 13,630,230 | 14,043,962 | 14,792,893 | 15,221,343 | 15,662,969 |
| Other Capital Receipts | - | - | | 500,000 | - | - | - | - |
| Section 20 Contribution (leaseholders income) | 2,957,878 | 2,957,878 | | 3,841,037 | 3,453,764 | 3,714,158 | 2,900,800 | 942,462 |
| (RTB) new Build provision | 3,153,844 | 3,153,844 | | 9,451,096 | 3,904,904 | 3,250,000 | 5,500,000 | 4,200,000 |
| RTB - Debt Provision Receipts | 1,661,487 | 1,661,487 | | 688,600 | 285,100 | 293,600 | 302,400 | 311,500 |
| Borrowing Prudential | 11,196,331 | 11,196,331 | | 35,608,000 | 16,604,000 | 15,910,000 | 18,279,000 | 17,597,000 |
| Direct Revenue Financing (was RCCO) | - | - | | 598,784 | 1,584,316 | 227 | - | 384 |
| Grant | 7,278,893 | 8,448,893 | 1,170,000 | 11,317,000 | 5,923,000 | - | - | - |
| TOTAL HRA RESOURCES FOR CAPITAL | 39,386,603 | 40,556,603 | 1,170,000 | 75,634,747 | 45,799,046 | 37,960,878 | 42,203,543 | 38,714,314 |
| CAPITAL PROGRAMME EXCL. NEW BUILD | | | | | | | | |
| Planned Investment including Decent Homes | | | | | | | | |
| Decent Homes - Internal/External Works | 8,430,690 | 8,430,690 | | 19,703,855 | 21,078,338 | 20,235,978 | 20,308,360 | 19,804,614 |
| Decent Homes Internal/External Works Voids | 465,500 | 465,500 | | 635,000 | 619,400 | 617,200 | 619,400 | 604,000 |
| Decent Homes Internal/One off Heating Works | 3,620,540 | 3,620,540 | | 6,508,855 | 6,193,938 | 4,545,278 | 4,561,460 | 4,448,014 |
| Decent Homes Electrical | 155,170 | 155,170 | | 264,600 | 258,100 | 576,100 | 578,200 | 563,900 |
| Decent Homes Kitchens and Bathrooms | 1,965,440 | 1,965,440 | | 4,656,600 | 4,542,200 | 4,526,200 | 4,542,400 | 4,429,800 |
| Window and Door Replacement | 2,068,880 | 2,068,880 | | 6,350,000 | 6,607,000 | 6,583,600 | 6,607,200 | 6,443,400 |
| Roofing | 103,440 | 103,440 | | 455,100 | 443,900 | 257,200 | 258,100 | 251,700 |
| Decent Homes - Extractor Fans | | | | 264,600 | 1,858,200 | 2,571,700 | 2,580,900 | 2,516,900 |
| Decent Homes 2 | | | | 84,700 | 82,600 | 82,300 | 82,600 | 80,600 |
| Decent Home External Works | | | | 423,300 | 412,900 | 411,500 | 413,000 | 402,800 |
| Insulation Measures | 51,720 | 51,720 | | 61,100 | 60,100 | 64,900 | 65,100 | 63,500 |

APPENDIX E - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

| | 2025/26 | 2025/26 | 2025/26 | 2026/27 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 |
|--|---------------------|-----------------------------------|----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Scheme | Q2 Capital Strategy | HRA Budget 26/27 Capital Strategy | Variance 26/27 Budget v Q2 | HRA Budget 26/27 Capital Strategy |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Decent Homes - Flat Blocks | 10,176,410 | 10,176,410 | | 4,612,900 | 2,660,400 | 2,736,400 | 2,746,200 | 2,678,100 |
| MRC Flat Blocks - Wates | 779,573 | 779,573 | | | | | | |
| MRC Flat Blocks - Mulalley | 5,920,237 | 5,920,237 | | 1,058,300 | | | | |
| MRC Flat Blocks - Misc | 106,890 | 106,890 | | 670,700 | 435,100 | 333,800 | 335,000 | 326,700 |
| Communal Heating | 59,440 | 59,440 | | 238,100 | 120,300 | 129,900 | 130,400 | 127,200 |
| High Rises - Improvement Works | 3,310,270 | 3,310,270 | | 2,645,800 | 2,105,000 | 2,272,700 | 2,280,800 | 2,224,200 |
| Health & Safety | | | | | | | | |
| Asbestos Management | 250,000 | 250,000 | | 367,100 | 358,100 | 389,600 | 391,000 | 381,300 |
| Subsidence | 124,130 | 124,130 | | 195,800 | 191,000 | 190,300 | 191,000 | 186,300 |
| Contingent Major Repairs | 577,550 | 577,550 | | 611,300 | 601,400 | 649,400 | 651,700 | 635,500 |
| Building safety | 870,000 | 870,000 | | 2,667,000 | 1,202,900 | 1,198,600 | 1,202,900 | 1,173,100 |
| Estate & Communal Area | | | | | | | | |
| Asset Review - Challenging Assets | 464,400 | 464,400 | | 635,000 | 619,400 | 617,200 | 619,400 | 604,000 |
| Other HRA Schemes | | | | | | | | |
| Stock condition Surveys | 159,310 | 159,310 | | 169,300 | 165,200 | 164,600 | 165,200 | 161,100 |
| Decarbonisation | 825,000 | 825,000 | | 2,804,600 | 2,735,700 | 2,726,100 | 2,735,900 | 2,668,000 |
| Disabled Adaptations | 787,600 | 787,600 | | 1,270,000 | 1,238,800 | 1,234,400 | 1,238,800 | 1,208,100 |
| Capital Equipment | | | | 31,700 | 31,000 | 30,900 | 31,000 | 30,200 |
| TOTAL CAPITAL PROGRAMME EXCL. NEW BUILD | 22,665,090 | 22,665,090 | | 33,068,555 | 30,882,238 | 30,173,478 | 30,281,460 | 29,530,314 |
| CAPITAL PROGRAMME NEW BUILD | | | | | | | | |
| New Build Programme - eligible for 1-4-1 | 9,208,917 | 10,378,917 | 1,170,000 | 18,902,192 | 7,809,808 | 6,500,000 | 11,000,000 | 8,400,000 |
| New Build Programme - ineligible | 7,196,559 | 7,196,559 | | 23,445,000 | 5,987,000 | | | |
| March Hare in Burwell Road (Ineligible 141) | 1,732,959 | 1,732,959 | | 1,000,000 | | | | |
| Kenilworth Close (105 units) (Ineligible 141) | 171,497 | 171,497 | | | | | | |
| Dunn Close (27 units, 21 main block SA) | 456,177 | 456,177 | | | | | | |
| North Road | 120 | 120 | | | | | | |
| Brent Court Social Rent (Ineligible 141) | 7,052,893 | 7,052,893 | | 22,445,000 | 5,987,000 | | | |

APPENDIX E - HOUSING REVENUE ACCOUNT CAPITAL STRATEGY

| | 2025/26 | 2025/26 | 2025/26 | 2026/27 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 |
|--|---------------------|-----------------------------------|----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Scheme | Q2 Capital Strategy | HRA Budget 26/27 Capital Strategy | Variance 26/27 Budget v Q2 | HRA Budget 26/27 Capital Strategy |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Schemes Under Development | | | | | | | | |
| The Oval (70 Units) | 6,991,830 | 8,161,830 | 1,170,000 | 18,902,192 | 7,809,808 | 8,400,000 | 8,400,000 | 8,400,000 |
| Shephall Social | 6,096,708 | 5,766,708 | (330,000) | 14,902,192 | 7,809,808 | | | |
| Redcar Drive aka Cartref (Affordable Rent) | 32,615 | 1,532,615 | 1,500,000 | 3,000,000 | | | | |
| Ellis Avenue (Social Rent) | 75,000 | 75,000 | | | | | | |
| Ellis Avenue (Affordable Rent) | 453,899 | 453,899 | | | | | | |
| Neighbourhood Centre Social Rent | 361,439 | 361,439 | | 1,000,000 | | | | |
| Neighbourhood Centre Afford.Rent | | | | | | 3,250,000 | 5,500,000 | 4,200,000 |
| L.S.S.O. Buy Back | | | | | | 3,250,000 | 5,500,000 | 4,200,000 |
| TOTAL CAPITAL PROGRAMME NEW BUILD | (27,831) | (27,831) | | | | | | |
| | 16,405,476 | 17,575,476 | 1,170,000 | 42,347,192 | 13,796,808 | 6,500,000 | 11,000,000 | 8,400,000 |
| OTHER CAPITAL SCHEMES | | | | | | | | |
| IT General (IT) | | | | | | | | |
| Infrastructure Investment | 147,564 | 147,564 | | 199,000 | 740,000 | 764,000 | 764,000 | 764,000 |
| Housing Improvements - Northgate online | 118,670 | 118,670 | | | | | | |
| Core ICT Equipment Equipmt & Tools | 20,000 | 20,000 | | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Total General IT | 286,234 | 286,234 | | 219,000 | 760,000 | 784,000 | 784,000 | 784,000 |
| Connected To Our Customers (CTOC) | | | | | | | | |
| New CRM Technology (Digital Platform) | 29,803 | 29,803 | | | | | | |
| Total CTOC | 29,803 | 29,803 | | | | | | |
| Housing Maintenance Vehicles | | | | | | | | |
| Housing Improvements - Northgate online | | | | | 360,000 | 503,400 | 138,084 | |
| Total Vehicles | | | | | 360,000 | 503,400 | 138,084 | |
| TOTAL OTHER CAPITAL SCHEMES | 316,037 | 316,037 | | 219,000 | 1,120,000 | 1,287,400 | 922,084 | 784,000 |

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