

## Overview & Scrutiny Committee

Monday 20 January 2025  
10.30 am

Ground Floor Meeting Room G02A - 160 Tooley Street, London  
SE1 2QH

## Supplemental Agenda No. 5

### List of Contents

Item No.	Title	Page No.
5.	<b>POLICY AND RESOURCES STRATEGY 2025-26</b>	1 - 5
	Enclosed is the presentation on the Housing Revenue Account (HRA)	

### Contact

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Date: 19 January 2025

# Housing Revenue Account

Overview & Scrutiny - 20 Jan 2025



Agenda Item 5

*Southwark*  
Council

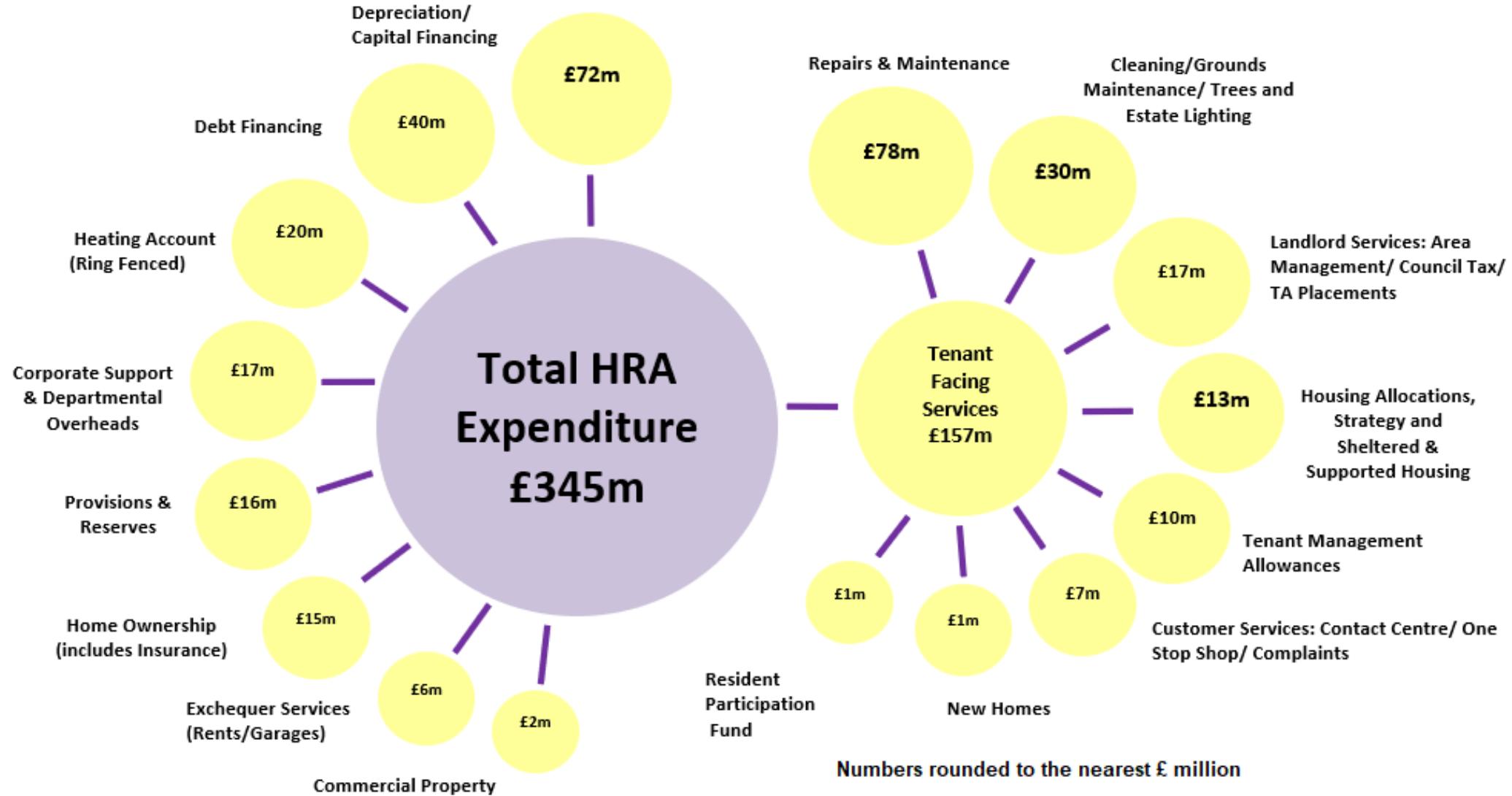
# HRA- 2024-25 Budget Forecast at Month 8

	Outturn	Budget	Forecast	Variance
	23-24	24-25	24-25	24-25
Income	£000's	£000's	£000's	£000's
Tenant's Charges	-266,628	-297,660	-297,732	-72
Voids	9,443	6,482	8,963	2,481
Homeowner Charges	-38,440	-37,502	-48,125	-10,623
Other Income	-16,225	-16,795	-16,650	145
<b>Total Income</b>	<b>-311,850</b>	<b>-345,475</b>	<b>-353,544</b>	<b>-8,069</b>
Expenditure				
Tenant facing services	167,718	156,971	165,070	8,099
Other Services	71,523	76,617	74,740	-1,877
Capital and Financing	50,080	71,851	83,410	11,559
Debt Financing	25,066	40,036	38,477	-1,559
<b>Total Expenditure</b>	<b>314,387</b>	<b>345,475</b>	<b>361,697</b>	<b>16,222</b>
<b>Total HRA</b>	<b>2,537</b>	<b>0</b>	<b>8,153</b>	<b>8,153</b>

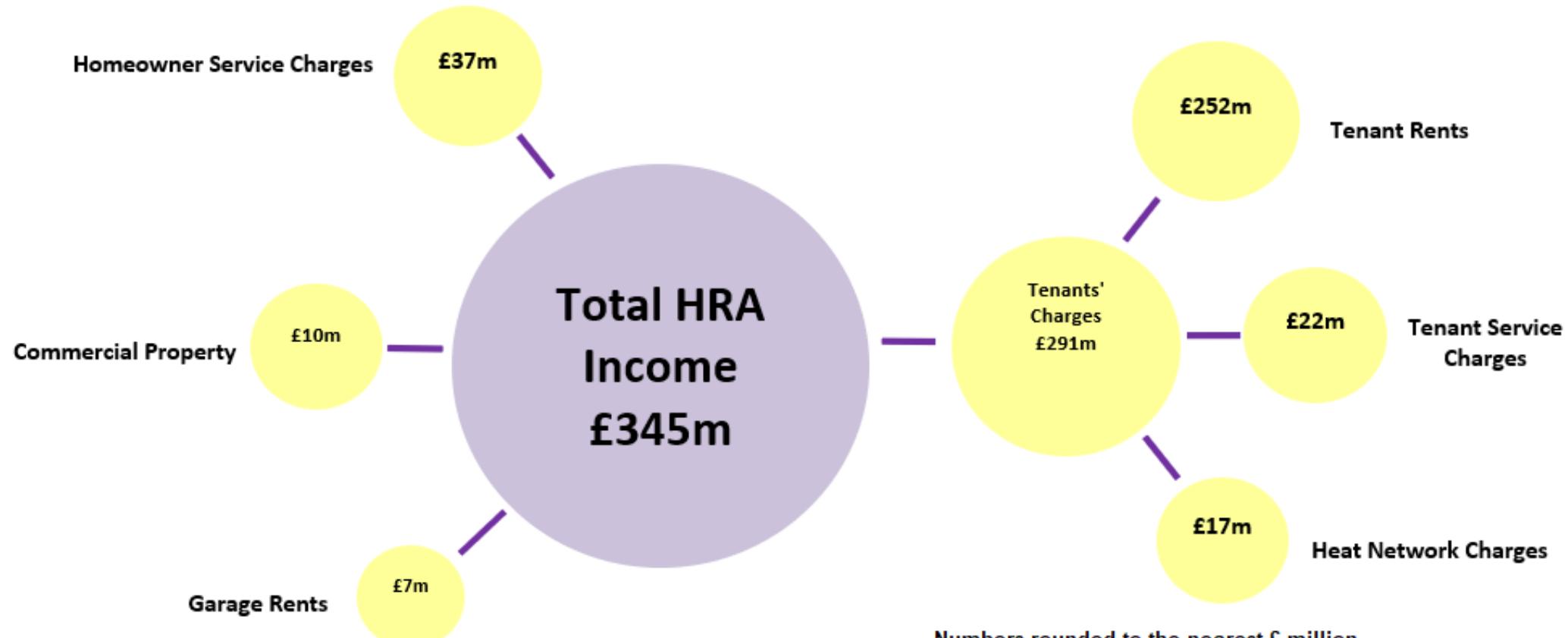
## HRA Recovery Plan Headlines

- 2024-25 budget forecast c.£8.15m O/S at month 8
- Delivery of some savings taking longer than expected
- Overall savings requirement remains the same (c.£19.6m), so the balance of savings not achieved in 24-25 will be rolled over into 25-26.
- Capital Asset Management works budget position significantly improved (vs. 23/24) and minimal borrowing required.

# Housing Revenue Account Expenditure Budget 2024-25



# Housing Revenue Account Income Budget 2024-25



# Housing Investment Programme

	Forecast						Total Forecast
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30+	
£000	£000	£000	£000	£000	£000	£000	£000
<b>Programme Spend</b>							
Asset Management	74,938	105,569	103,746	108,748	80,086	254,991	728,078
New Build & Acquisitions	156,336	114,070	50,942	68,409	63,439	96,185	549,381
Other Programmes	5,549	-	-	-	-	-	5,549
<b>Total Spend</b>	<b>236,823</b>	<b>219,639</b>	<b>154,688</b>	<b>177,157</b>	<b>143,525</b>	<b>351,176</b>	<b>1,283,008</b>
<b>Financing</b>							
Major Repairs Reserve	39,636	48,534	51,903	46,691	46,691	75,267	308,722
CERA	36,719	27,910	30,765	32,544	33,358	179,724	341,020
Non RTB receipts	10,730	31,091	5,000	4,000	-	-	50,821
RTB receipts	6,030	5,174	900	-	-	-	12,104
Grants & external contributions	19,605	15,505	12,307	15,533	10,741	3,796	77,487
S106 receipts	3,776	10,000	10,000	10,000	10,000	20,000	63,776
<b>Borrowing</b>	<b>120,327</b>	<b>81,425</b>	<b>43,813</b>	<b>68,389</b>	<b>42,735</b>	<b>72,389</b>	<b>429,078</b>
<b>Total Financing</b>	<b>236,823</b>	<b>219,639</b>	<b>154,688</b>	<b>177,157</b>	<b>143,525</b>	<b>351,176</b>	<b>1,283,008</b>

PWLB Borrowing Rate (40yr)



The rate at which the council can borrow for its homes has increased from 1.7% in Jan 2022 to 5.7% in Jan 2025,

## HIP Headlines

- £1.28bn programme over the next 10 years
- £728m of this is investment in existing properties
- Still need to borrow £429m to fully deliver the existing 'committed' new homes programme
- 2024/25 position improved vs. prior year – very limited borrowing likely for Asset Management vs. c.£59m in prior year.
- Disposal of small number of void assets generating receipts is helping keep borrowing down