

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 13TH JANUARY, 2025

REFERENCE FROM CABINET: 9TH JANUARY, 2025

“C224 FINAL HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS 2025/26, RENT SETTING 2025/26 AND HOUSING REVENUE ACCOUNT BUSINESS PLAN 2025/26 (EL/PR) (SCRUTINY – HOMES AND SAFE COMMUNITIES) –

The Leader presented the report to set the Housing Revenue Account (HRA) budget for the financial year 2025/26, set the rents and service charges for the forthcoming rent year beginning 1st April, 2025 and present the 30 Year Housing Business Plan starting financial year 2025/26.

The Leader said there had been a lot of interest in the Council’s housing building programme which had delivered and would continue to deliver numbers in the hundreds per year going forward, but that there were potential ongoing associated revenue costs where borrowing may be required.

The report had been considered by the Homes and Safe Communities Scrutiny Committee on 8th January, 2025 and had been attended by the Leader and Councillors John, Wilson and Perkes as the relevant Cabinet Member for the matter. Following a full conversation, Committee made no further recommendations and noted the report.

There were some typographical errors in two of the Recommendations to the report that the Leader asked Cabinet to be aware of and which required amendment. Recommendation (2) referred to paragraph 2.17, which should have referred to paragraph 2.25. Recommendation (3) referred to paragraphs 2.18 to 2.25, which should have referred to paragraphs 2.27 to 2.36.

This was a matter for Executive decision.

Cabinet, having considered the report, the proposed amendment to Recommendations (2) and (3) of the published report and all the issues and implications contained therein

RESOLVED –

(1) T H A T Cabinet recommended to Full Council the approval of the final Housing Revenue Account budget proposals for 2025/26 set out below:

	Original 2024/25	Change	Final Proposed Budget 2025/26
			£000
Expenditure			
Supervision & Management – General	4,695	214	4,909
Supervision & Management – Special	1,949	13	1,962
Repairs & Maintenance	5,000	920	5,920
Capital Financing Costs	5,792	1,097	6,889
Rent, Rates, Taxes & Other Charges	270	28	298
Increase in Provision for Bad Debts	1,027	(336)	691
Capital Expenditure from Revenue Account (CERA)	8,197	(1,218)	6,979
	26,930	718	27,648
Income			
Dwelling Rents	(25,793)	(365)	(26,158)
Non Dwelling Rents	(186)	(13)	(199)
Interest	(45)	(170)	(215)
Charges For Services and Facilities	(684)	(133)	(817)
Contribution towards expenditure	(94)	(1)	(95)
Grant Income	(205)	0	(205)
	(27,007)	(682)	(27,689)
(Surplus) / deficit for the year	(77)	36	(41)
Working Balance Brought Forward as at 1st April 2025	(3,524)	(667)	(4,191)
Working Balance Carried Forward as at 31st March 2026	(4,191)	(41)	(4,232)

(2) T H A T Cabinet recommended to Full Council an average rent increase of 2.7%, as set out in paragraphs 2.25.

(3) T H A T Cabinet recommended that Full Council approves the increase suggested for other services as set out in the table below and in paragraphs 2.27 to 2.36.

50 Week Basis	2024/25 Actual Charges	2025/26 Proposed Charges	
	£	£	
Grounds Maintenance	1.47	1.51	per week
Cleaning of communal areas	2.75	3.00	per week
Lighting of communal areas	2.51	3.60	per week
Laundry Facilities	0.62	0.41	per week
Window Cleaning	0.18	0.18	per week
Lift Maintenance	1.33	1.25	per week
Door Entry	0.71	0.80	per week

Intercom	0.95	1.29	per week
CCTV	0.00	1.43	per week
Sewerage Treatment Plants	455.25	467.54	per annum
Cesspools	439.00	451.00	per annum

(4) T H A T Cabinet recommended that Full Council approves all changes to rents and service charges be implemented from 1st April, 2025, with the first week of April being a non-chargeable rent week and that increase notices are sent to tenants two months in advance of the new charges coming into effect as required by the Renting Homes (Wales) Act 2016.

(5) T H A T the Housing Revenue Account Business Plan 2025/54 be approved.

(6) T H A T use of the urgent decision procedure as set out in Section 15.14 of the Council's Constitution be approved in order for Final Housing Revenue Account (HRA) Budget Proposals 2025/26, Rent Setting and Housing Business Plan to be referred to Full Council on 13th January, 2025.

Reasons for decisions

(1) To facilitate budget monitoring and to demonstrate a balanced budget with a drawdown from HRA reserves to bring the reserve back into balance with the Housing Business Plan 2025/26.

(2) In order that new rent levels were set within the specified Welsh Government (WG) guidelines and to meet the tenant notification deadline as required by statute.

(3) That charges were approved and to meet the tenant notification deadline as required by statute.

(4) In order that charges were approved, new rent levels were set within the specified Welsh Government (WG) guidelines and to meet the tenant notification deadline as required by statute.

(5) To obtain Cabinet approval for the Housing Revenue Account Business Plan 2025/55 (draft) prior to referral to Full Council.

(6) To allow the report to be referred to Full Council on 13th January, 2025 in order to comply with the Rented Homes Wales Act and meet the requirement of the Housing Business plan submission for 31st March, 2025.”