

LONDON BOROUGH OF CROYDON

REPORT:	CABINET	
DATE OF DECISION	11 February 2026	
REPORT TITLE:	HRA Business Plan and Budget Update 2026-27	
CORPORATE DIRECTOR / DIRECTOR:	Susmita Sen, Corporate Director of Housing	
LEAD OFFICER:	Orlagh Guarnori, Head of Finance - Housing	
LEAD MEMBER:	Councillor Lynne Hale, Cabinet Member for Homes	
Report Reason:	For Decision	
KEY DECISION? REF: 1424CAB	Yes	<p>Decision incurs expenditure, or makes savings, of more than £1,000,000 or such smaller sum which the decision-taker considers is significant having regard to the Council’s budget for the service or function to which the decision relates</p> <p style="text-align: right;">and</p> <p>Decision significantly impacts on communities living or working in an area comprising two or more Wards</p>
CONTAINS EXEMPT INFORMATION?	No	
WARDS AFFECTED:	All	

1 EXECUTIVE SUMMARY

- 1.1** This report presents the latest position for the 30 Year Business Plan (BP) for the Housing Revenue Account (HRA) with consideration to both capital and revenue investments required for the management and maintenance of Croydon Council’s housing stock. The capital investment component of the budget has been built on needs indicated by the surveys that have been done on 95% of our housing stock to date.
- 1.2** The BP demonstrates that the investment proposals are fundable, subject to the assumptions within the plan, and that the HRA remains sustainable and viable over the 30 year period based on the available data at this point in time.

- 1.3 The budget is set based on the available data and reflects the ongoing pressures on repairs and maintenance costs. Monthly monitoring through the financial performance reporting will be carried out.
- 1.4 The capital programme is appropriately resourced and provides sufficient investment to deliver the required improvements to the housing stock. This level of funding supports the Council's strategic objectives by ensuring assets remain safe, compliant, and fit for purpose.

2 RECOMMENDATIONS

For the reasons set out in the report and its appendices, the Executive Mayor and Cabinet, is recommended to:

- 2.1 recommend to Full Council to agree the HRA budget for 2026-27 including the HRA capital programme.
- 2.2 agree the HRA 30 Year Business plan based on the HRA budget for 2026-27. (Appendix A)
- 2.3 note the assumptions in the Business Plan and the associated risks.

3 REASONS FOR RECOMMENDATIONS

- 3.1 Section 76 of the Local Government and Housing Act 1989 requires Local Authorities with a Housing Revenue Account (HRA) to set a budget for the account, which is based on best assumptions, that avoids a deficit and keeps the HRA under review.
- 3.2 The 2026-27 budget (Table 1) has been developed through review of, baseline budget, current expenditure on housing services and capital investment required as a result of the outcomes of the completed stock condition surveys to maintain and improve the housing stock. In addition, an allocation has been made for acquisitions and regeneration to expand our housing stock.
- 3.3 The Housing Revenue Account (HRA) 30 year Business Plan sets out the long-term financial position of this ring-fenced general fund account. The plan has been developed with Savills and is attached in Appendix A. Appendix B contains the Savills commentary report.
- 3.4 The plan is for a period of 30 years, with more focus on the first five years, which provides more certainty on costs, demands, resources and pressures, better enabling the prioritisation of housing investment.

- 3.5** The plan assumes the social rent policy for rental income as CPI +1% over a 10-year period. There has been no assumption for rent convergence.
- 3.6** The plan's capital programme is based on the outputs from the stock condition surveys and fire and building safety surveys carried out. The approach to delivering works via an estate based approach in line the Asset Management Strategy elements of the plan are also a continuation of the existing programme for 2025-26. The capital programme also allows for the backlog of works recommended from the outcome of the stock condition surveys to be carried out across a 5-year period.

4 CONTRIBUTION TO EXECUTIVE MAYOR PERRY'S BUSINESS PLAN

Outcome 1: The Council balances its books, listens to residents and delivers good sustainable services.	Outcome 2: Croydon is a place of opportunity for business, earning and learning.	Outcome 3: Children and young people in Croydon have the chance to thrive, learn and fulfil their potential.	Outcome 4: Croydon is a cleaner, safer and healthier place, a borough we're proud to call home.	Outcome 5: People can lead healthier and independent lives for longer.
✓			✓	

5 BACKGROUND

HRA REVENUE BUDGET 2026-27

- 5.1** The revenue budget for 2026-27 is set out in table 1 and shows a total budget of £109.8m.

Table 1 HRA Revenue Budget	2025-26 Net Budget (£'000)	2026-27 Net Budget (£'000)	Movement (£'000)	Movement %
Dwelling rents	- 91,090	- 95,499	- 4,409	5%
Non-dwelling rents	- 1,008	- 1,056	- 48	5%
Service charge income	- 7,204	- 8,616	- 1,412	20%
Other income and contributions	- 3,714	- 4,642	- 928	25%
Subtotal Income	- 103,016	- 109,813	- 6,797	0.54
Repairs & maintenance	37,995	35,102	- 2,893	-8%
Management (incl RRT)	34,794	37,577	2,783	8%
Bad debts	981	1,040	59	6%
Dwelling Depreciation	14,294	14,590	296	2%
Debt management	166	166	-	0%
Net Interest Payable	13,549	15,409	1,860	14%
Subtotal Expenditure	101,780	103,885	2,105	
Net income/expenditure	- 1,236	- 5,928	- 4,692	
Opening Reserves	- 22,198	- 10,964	11,234	
Revenue Contributions to Capital	12,470	7,045	- 5,426	-44%
HRA Closing Reserves	- 10,964	- 9,848	1,116	

*RRT – Rent, Rates and Taxes

5.2 Income

- 5.2.1 The main source of income to the HRA is tenant rental income which funds approximately 90% of annual revenue income to the account. The other 10% of income to the income and expenditure account comes from non-dwelling rent and service charges.
- 5.2.2 Rental income and tenants service charges will increase by 4.8% from April 2026. This is based on application of September 2024 CPI (3.8%) +1% which is a continuation of the social housing rent policy.
- 5.2.3 The plan has made no assumptions on the outcome of the social rent convergence consultation. A consultation was launched in conjunction with the 10 year rent settlement plan seeking views on implementation of Social Rent convergence to assist Council's to increase by an additional amount each year over and above the CPI +1% limit. The outcome and implementation of a convergence mechanism have been confirmed. It will come into effect from 1 April 2027, an additional £1 per week will be added to rents rising to £2 per week in 2028 until full convergence of social rents to formula rent levels has been achieved.
- 5.2.4 A prudent approach has been assumed for all other income streams with estimates at the current budget rates.

5.3 Revenue Expenditure

- 5.3.1 The expenditure staffing budgets remain consistent with the prior year budget which were increased to accommodate the need to materially change the structure of the housing directorate and to meet the statutory and professional standards changes that Croydon, as a landlord, is operating within.
- 5.3.2 Overall total management costs are £2,781 per property and lower than the London average* accounting for 28% of the total expenditure spend which is in line with the national average of 27%**.
- 5.3.3 The 2025-26 responsive repairs budget of £30m had a one-off allocation of £5.6m to support the initiation of the new works programmes. This has been implemented and the tracking at activity levels has supported the decision to reduce the responsive repairs budget for 2026-27 of £26m which is still above London average and running at 30% which is above the national average per property of 25%
- 5.3.4 The responsive repairs budget is built to specifically tackle the ongoing demand on key areas set out below:

1. Damp and mould cases – There is additional budgetary pressures following the introduction of Awaab’s Law and specifically the introduction of statutory KPI’s linked to service deliverability on reported cases of damp/mould and condensation in our homes. Landlords are required to investigate hazards within 10 working days, start fixing within a further 5 working days, and make emergency repairs within 24 hours.
2. Legacy disrepair cases and the management and compensation costs associated with these and of new cases remains a considerable strain on this budget. Legacy disrepair cases—along with the associated management and compensation costs—continue to place significant pressure on the budget. At the start of 2025, there were 630 legacy disrepair cases from prior years. These cases date back to 2020 and require both remedial works and compensation payments following legal disrepair action. Our repair service is improving and as we increase capital expenditure over the coming years, we would expect to see a reduction in the number of legal disrepair cases logged.

*Taken from the benchmark assumption - FRAMEWORK FOR HRA FINANCIAL STRATEGY AND MANAGEMENT

**Table 3.6a: Housing Revenue Account income & expenditure in real terms: 2019-2020 to 2023-24 (outturn) and 2024-25 (budget) : Source Revenue Outturn (R04) [Local government financial statistics England 2025](#)

3. Demand –The average number of repairs per property in 2023/24 was 3.4, in 2024/25 it was 2.9 and for 2025/26 the service is experiencing an increased year-to-date average of 3.68. However, this figure is temporarily inflated by the number of catch-up repairs not completed in prior years. We expect to see a gradual reduction in responsive repair spend over the coming years, as we focus on capital rather than revenue investment in our stock.

5.3.5 A housing HRA transformation budget of £1m in 2026-27 remains to allow for ongoing investment and improvement projects to get under way in the future.

6 HRA CAPITAL BUDGET 2025-26

6.1 Capital Expenditure

- 6.1.1 Table 2 below sets out a 5-year programme to 2030-31 against the revised 2025-26 budget of £108m increasing in 2026-27 to £109.7m. The main programme of major and minor repairs accounts for £54.8m of that budget. The programme is sufficiently funded to deliver the planned improvements to the housing stock. Ensuring that statutory compliance, health and safety requirements, and core asset management priorities are fully met.

Table 2						
HRA Capital Expenditure	Revised Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Major Repairs and Improvements Programme	21,657	18,733	20,904	20,583	19,695	12,692
Building Safety	12,345	14,969	15,424	13,805	13,918	9,668
Compliance/M&E	11,531	12,358	11,591	11,619	11,809	8,806
Special Projects	2,300	2,568	4,303	4,711	4,423	3,045
Support Costs	2,584	2,670	2,729	2,784	2,839	2,896
Repairs Referrals (Contingency)	6,000	2,054	0	0	0	0
Regeneration (Feasibility Studies)	250	514	262	268	273	278
Extra Care Scoping	0	257	0	0	0	0
NEC Phase 2 Costs	727	706	0	0	0	0
Regina Road	10,379	18,595	18,543	30,814	24,292	50,995
Acquisitions	40,755	36,266	29,984	0	0	0
Total HRA Capital Expenditure	108,529	109,687	103,740	84,583	77,248	88,380

6.1.2 The budgets set for the period 2026-27 reflects the requirement to fund the elements set out below:

6.2 Major Repairs & Improvement Programme

6.2.1 The detailed 2026-27 programme of work is included in Appendix C.

6.2.2 The major repairs and improvements programme is based on the outputs from gas and fire servicing works as well as the direct outputs from the completion of 94% of our Stock Conditions Survey's this budget line also includes estate improvements.

6.2.3 The stock capital investment at £68,750 is in line with the national average of £69,000 per unit over the 30 years of the business plan but is lower than some London neighbours average of £90,000***. Having contracts in place to deliver the planned maintenance programme will enable us to operate more efficiently in this area and achieve the targets.

6.2.4 The backlog of work driven from the stock conditions outputs has been phased within the plan over a 5-year period from 2031-32. The historical backlog and future years data has also been cross referenced to provide a level of assurance against existing historical data that came from a variety of sources. The fact that this level of granularity has been built into the financial plan makes it particularly robust. We can clearly show the distinction between backlog and future year prediction for both surveyed and non-surveyed properties which means this is a relatively stable financial forecast that will continue to improve as more data is obtained

*** Taken from the benchmark assumption - FRAMEWORK FOR HRA FINANCIAL STRATEGY AND MANAGEMENT

6.2.5 Regeneration feasibility studies have been allowed for within the plan to support the work on an investment programme. The programme will carry out regeneration feasibility studies targeted to specific blocks and properties. The intention being to redevelop buildings within the HRA stock. In particular a review of those assets where the Net Present Value (NPV) indicates that they are of an age, type of construction or

condition that significant capital works or ongoing responsive repairs are no longer value for money.

6.3 Building Safety & Regulation Changes:

6.3.1 Following the tragic fire at Grenfell Tower significant new emphasis has been rightly placed on preventative works to meet fire safety requirements. The outcomes of the Fire and Building Safety surveys already undertaken during 2025-26 are reflected in the budget provisions and future works programmes. These rolling surveys will continue to inform Croydon's commitment to ensuring compliance with the Fire Safety and Building Safety Acts.

6.3.2 The secondary legislation for Awaab's Law is also embedded in the Act and follows the death of 2-year old Awaab Ishak in 2020 owing to damp and mould exposure in his Rochdale home. Croydon is addressing this within its responsive repairs revenue budget (see 4.3.2) and within the capital programme. The Government in the multi-year fair funding allocation has included Awaab's law new burdens allocation of only £80k. Croydon has not received any of these funds.

6.4 Special Projects:

6.4.1 In 2025-26 a new budget line was established to allow for initial scoping works to be carried out and development costs to be worked up for major works improvement on specific projects and properties. The budget is based on horizon scanning and working up projects that have been identified that require feasibility and planning activity to be carried out. The costs of carrying out the major works will then be included in the future iteration of the Business Plan.

6.5 Acquisitions:

6.5.1 An accelerated acquisitions programme was introduced for the 2025-26 budget: the basis of which was to allow the regeneration team to acquire up to 100 new properties. The intention is to continue this programme into 2026-27 to ensure the maximisation of the use of Right to Buy (RTB) capital receipts and all available grants. The programme will be reviewed to ensure value for money and the best use of resources. If these are not achieved, it will be replaced with a suitable alternative.

6.5.2 Changes to the RTB policy were introduced in November 2024 that limited the discounts and extended the cost floor rule. In the immediate period prior to the changes Croydon received 641 applications, compliance checks have been carried out on all applications to ensure entitlement and accuracy of residency claims. As at November 2025 44 property sales have been completed.

- 6.5.3 Since October 2024 councils are permitted to retain 100% of RTB capital receipts and this is reflected in the business plan to fund the development of new social housing and buy back schemes. However, since the implementation of the policy changes there has been a marked reduction in demand with only 28 new applications received in the year to November 2025. The reduced RTB activity has been modelled into the business plan and results in a requirement to support the acquisition programme through borrowing from 2027-28 onwards.
- 6.5.4 In addition where possible Section 106 and the community infrastructure levy (CIL) will be used to support the provision of services and infrastructure as well as affordable housing.

6.6 Regina Road:

- 6.6.1 The current development plan at Regina Road is incorporated into the business plan at a delivery cost of £171m for the delivery of Phase 1 including the 225 affordable homes. This is an increase from the reported agreed budget of £166m in the prior year plan. The increase to the budget reflects the latest assessment of current costs following further design development and due diligence to support the planning application and delivery process. The cost accounts for interest payments on the borrowing that will be required to build out the scheme along with the grant funding received. The £171m does not include estimated inflation cost over the delivery period, which is consistent with the previously approved budget. The estimated inflation cost is included separately within the business plan. The budget and assumptions remain under review and will be amended as the detailed design evolves and as major contracts are agreed. An updated build cost plan is due to be received from the Council's cost consultant, Pellings, in early 2026. This will incorporate the latest figures available following the recent main contractor procurement process, and the project budget will be reviewed following receipt of this cost plan.
- 6.6.2 Loss of rental income on the properties over five years is incorporated into the plan. The repairs and future capital maintenance costings have also been reviewed.
- 6.6.3 The plan includes the confirmed GLA grant funding of £54m and assumes phase 1 will deliver 225 affordable homes out of total circa 340 homes across all phases.

6.7 Financing HRA Business Plan:

- 6.7.1 The capital programme will be financed by a mix of RTB receipts, revenue contributions, grants and release of reserves in the first instance with the balance made up from borrowing. Table 3 sets out the mix over the 5-year programme to 2030-31. The borrowing increases in year 2 (2027-28), which reflects the decrease in available RTB receipts.

Table 3 Financing	Revised Budget 2025-26	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Major Repairs Reserve	14,294	14,590	14,973	15,312	15,607	15,938
RTB receipts	3,261	3,322	3,385	920	929	938
Other receipts, Reserves and grants	40,755	29,012	14,992	-	-	-
Revenue contributions	1,609	26,466	3,509	9,693	856	4,247
Release of revenue reserve	12,470	7,045	1,633	1,343	1,732	2,577
HRA borrowing	36,140	29,252	65,248	57,315	58,124	64,680
Capital financing	108,529	109,687	103,740	84,583	77,248	88,380

7 HRA 30 YEARS BUSINESS PLAN KEY HEADLINES

7.1 Five Year Budget

7.1.1 The full 30 year plan is presented in Appendix A table 4 sets out a summary for the first five years of the plan.

Table 3 HRA 5 Year Budget	Budget 2026-27	Budget 2027-28	Budget 2028-29	Budget 2029-30	Budget 2030-31
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Dwelling rents	- 95,499	- 99,132	- 102,944	- 106,489	- 112,054
Non-dwelling rents	- 1,056	- 1,089	- 1,121	- 1,154	- 1,189
Service charge income	- 8,616	- 8,860	- 9,094	- 9,334	- 9,581
Other income and contributions	- 4,642	- 4,745	- 4,839	- 4,936	- 5,035
Subtotal Income	- 109,813	- 113,826	- 117,999	- 121,914	- 127,858
Repairs & maintenance	35,102	36,344	37,071	37,809	38,588
Management (incl RRT)	37,577	41,546	42,366	42,991	43,341
Bad debts	1,040	1,079	1,120	1,158	1,217
Dwelling Depreciation	14,590	14,973	15,312	15,607	15,938
Debt management	166	170	173	177	180
Net Interest Payable	15,409	17,565	20,286	22,917	25,458
Subtotal Expenditure	103,885	111,676	116,328	120,660	124,722
Net income/expenditure	- 5,928	- 2,150	- 1,671	- 1,254	- 3,136
Opening Reserves	- 10,964	- 9,848	- 10,365	- 10,693	- 10,215
Revenue Contributions to Capital	7,045	1,633	1,343	1,732	2,577
HRA Closing Reserves	- 9,848	- 10,365	- 10,693	- 10,215	- 10,774
Total HRA minimum reserve level	9,500	9,500	9,500	9,500	9,500

*RRT – Rent, Rates and Taxes

7.1.2 Net interest payable increases are reflective of the increase in borrowing that is assumed to fund the capital and acquisition programmes. The cost of borrowing assumes the utilisation of the preferential HRA Public Works Loan Board (PWLb) at a rate of 4.5%. The use of existing HRA Reserves has been maximised in earlier years.

7.2 Financial Viability

7.2.1 This report sets out a financially viable and fundable 30 Year Business Plan. There is capacity within the business plan to meet the higher level of operational expenditure.

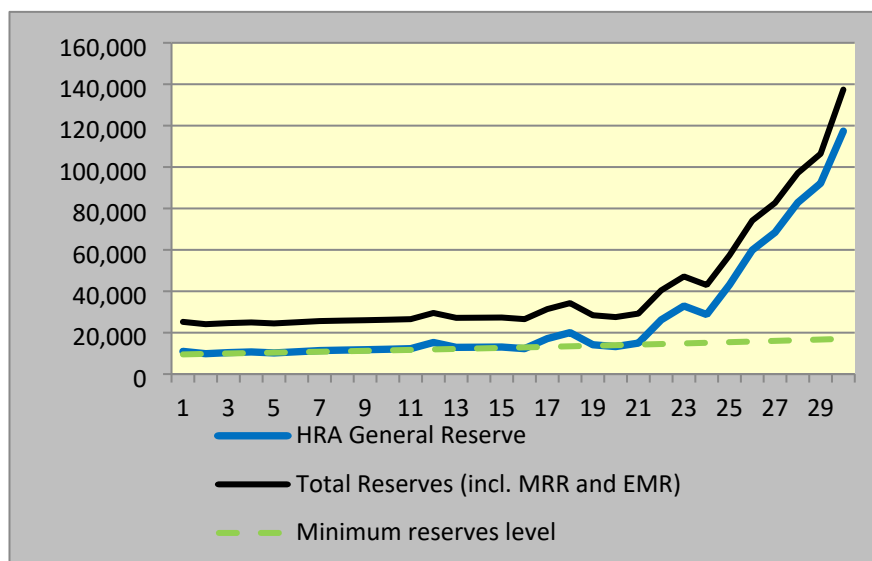
It can also accommodate the capital investment in the existing stock, the redevelopment at Regina Road and the acquisitions of new homes.

7.2.2 Although there is no set programme for net zero carbon as significant investment would be required and would come at the expense of other programmes in the plan, there is grant funded activity which is contributing towards the achievement of the overall aim for bringing tenants out of fuel poverty through more efficient heating systems. Future net zero investment is a challenge for all councils and grant funding will be necessary to supplement the cost of implementation.

7.2.3 A minimum balance of £9.5m within reserves (annually inflated) has been assumed for the Business Plan. The assumption allows for the equivalent of 1.55 months of expenditure. A benchmark of other authorities shows an average of 1.5 months expenditure in reserves.

7.2.4 Chart 1 demonstrates that the HRA revenue reserves used to and reserves taken to the minimum balance level in 2026-27 before borrowing. The reserves can be maintained at the minimum level and begin to increase towards the later stages of the plan.

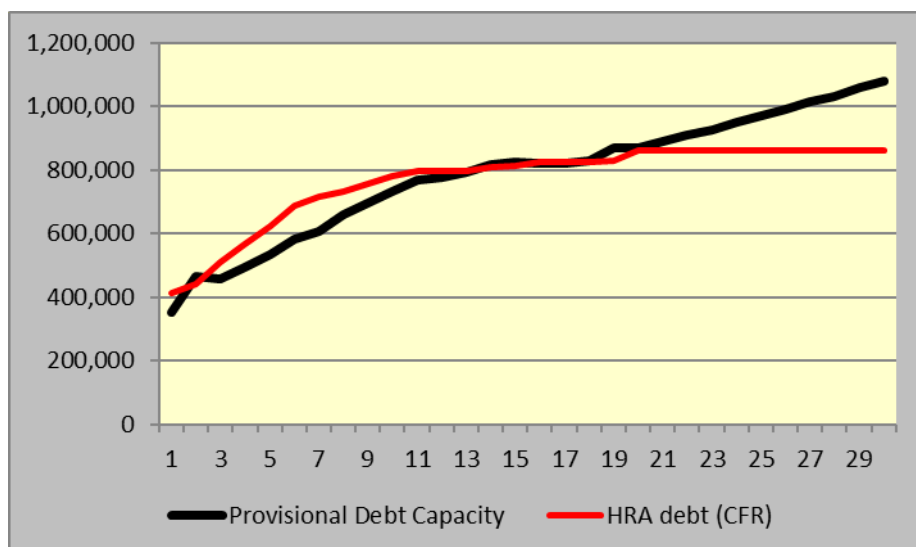
Chart 1 – Projected HRA Balances



7.2.5 The opening CFR (Capital Finance Requirement) is £377m of which £363m is funded from borrowing. Additional borrowing will be required to fund both the acquisitions and capital repairs programmes. Debt increases to £860m over the course of the 30 year plan. This is within the projected headroom for the HRA of £1,081m.

7.2.6 A minimum ICR (interest rate cover) ratio of 1.25 is recommended. However, the impact of the increased borrowing results in the provisional debt capacity dropping below the benchmark figure but remaining above 1 for the entire plan. The rate recovers by year 13 as operating surpluses are generated.

Chart 2 – Projected HRA Debt



7.2.7 The plan has not allowed any specific provision for energy investment or meeting net zero carbon targets other than projects included in SHDF (Social Housing Decarbonisation Fund). SHDF works included in the plan are part of a matched grant funding scheme for Warm Homes Social Funding Wave 3 EPC Investment received. It should be noted that there is other activity that will support energy efficiency of the stock and this is included within the major and minor repairs budgets.

7.2.8 Some form of “new burdens” government funding would be required to be able to meet the any other projects to bring stock to zero carbon levels. Modelling in the prior year report by Savills suggested that £564m would be required to bring stock to zero carbon levels. However, it is noted that this is a prudent estimate based on point in time and the actuals would likely be much higher.

8 ALTERNATIVE OPTIONS CONSIDERED

8.1 The plan modelled a number of scenarios based on a range of assumptions as detailed in the Savills reporting attached in Appendix B section 3, thus providing a level of assurance for the basis of the current Business Plan model.

8.2 The plan shows a varied impact to both positive and negative sensitivities noting that consideration should be given to the level of residual debt that the HRA has at year 30, although there is no statutory requirement for repayment.

9. CONSULTATION

9.1 It is essential that Council tenants are able to influence the formulation of plans and priorities that will affect them in their homes. Engagement with our tenants began in

October 2025 with the Housing Priorities Survey. There have also been in person and online meetings with our Customer Insights and Assurance (CIA) panel. The fuller details of the survey outcomes is contained in the HRA Rent paper also presented to Cabinet on 11 February 2026. This is the 3rd year for this survey to be run and the response rate has increased significantly.

- 9.2 The survey was directed at Council tenants only and was promoted through various channels including:
- Posters in blocks
 - Door knocking/flyers through doors
 - Surgeries, walk-about and other estate-based events
 - Open House (QR code and phone number)
 - Direct mail to those with an email address
- 9.3 A total of 962 surveys were completed. The full report is available to review as appendix E – Housing services priorities. Tenants' priorities are shown below across all responses and with a breakdown for those that are likely to receive caretaking services (flats/maisonettes/sheltered) and those that don't (houses/bungalows).
- 9.4 As with last year's survey, the repairs service was a clear priority across all accommodation types. 59% of tenants ranked repairs as their first priority compared with 11% for community support.
- 9.5 ASB remains consistently high. However, it has just dropped below planned maintenance.

10. IMPLICATIONS

10.1 FINANCIAL IMPLICATIONS

- 10.1.1** This report sets out the proposed 2026-27 Housing Revenue Account (HRA) revenue budget, planned five years revenue budget for 2026-31 and the planned capital budget for 2025-31. These are based on the updated 30 years Business Plan.
- 10.1.2** The capital budget determines potential borrowing requirements and prudential borrowing indicators as part of the Council's Medium Term Financial Strategy and Treasury Management Strategy. There is significant borrowing planned for all years in the medium term to fund capital expenditure which isn't funded through other sources of external funding.
- 10.1.3** The HRA is currently under-borrowed when compared to the liability benchmark, following historic under-investment in the housing stock. As investment is increased over the coming years, it will be important to monitor the level of HRA reserves and continued adherence to the prudential code liability benchmark.

Comments approved by Allister Bannin, Director of Finance (Deputy s151), 03/02/2026.

10.2 LEGAL IMPLICATIONS

10.2.1 The Council's duties in relation to the HRA are set out in Part VI of the Local Government and Housing Act 1989.

10.2.3 Section 76 of the 1989 Act requires the Council in the January or February preceding the relevant year to formulate proposals relating to (a) income from rents and other charges, and (b) the expenditure on repairs, maintenance, supervision and management of its houses. In formulating these proposals, the Council must secure that, on implementation, the HRA will not show a debit balance, assuming the following: a) that the best assumptions that they are able to make at that time as to all matters which may affect the amounts falling to be credited or debited to the HRA in the year prove to be correct; and, b) that the best estimates that they are able to make at that time of the amounts which, on those assumptions, will fall to be so credited or debited, also proves to be correct.

10.2.4 The Council is further obliged to keep the proposals referred to in this report under review to see if the requirement to avoid a debit balance continues to be satisfied during the year. In the event that the Council, on review, determines that this requirement will not be satisfied then the Council is, by virtue of Section 76(6), required to "make such revisions of the proposals as are reasonably practical towards securing that the proposals (as so revised) satisfy those requirements". The duty in relation to "best assumptions and estimates" referred to above applies equally to such revised proposals.

10.2.5 The Council must also have regard to the emerging regulatory environment, and address funding provision to meet legal obligations in respect of repairs, fire and building safety compliance, obligations under the Building Safety Act 2022, and the Social Housing (Regulation) Act 2023.

Comments by KM approved on behalf of the Director of Legal Services and Monitoring Officer. (13/01/26)

10.3 EQUALITIES IMPLICATIONS

10.3.1 Under Section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

10.3.2 The HRA Business Plan and Budget Update 2026–27 has been developed with an understanding that council housing tenants are more likely to include people who share protected characteristics, particularly disabled people, older residents, families with young children and residents from racially minoritised communities. Evidence from repairs, disrepair and damp and mould cases indicates that these groups can be disproportionately affected by poor housing conditions and associated health and well-being impacts.

- 10.3.3 The significant investment proposed within the revenue and capital programmes, including increased focus on damp and mould remediation, building safety, compliance works, legacy disrepair and stock condition improvements, is expected to have a positive impact by improving living conditions, reducing health risks and enhancing housing safety for affected groups.
- 10.3.4 Potential negative impacts have been considered, including the disruption associated with major works, regeneration activity and temporary decanting, as well as affordability pressures linked to rent and service charge increases. Mitigation measures include phased delivery of works, clear tenant communication, engagement through established tenant forums, and the continued application of hardship and support mechanisms where appropriate.
- 10.3.5 The proposals align with the Council's Equality Strategy 2023–2027 and anti-racism commitment by seeking to address long-standing inequalities in housing quality, investing in safer and healthier homes, and engaging tenants in shaping priorities. Equality impacts will continue to be monitored through service performance data, complaints, tenant feedback and ongoing engagement to ensure that adverse consequences are identified and addressed

Comments approved by Philip Conteh, Senior Equalities Officer, 18/12/2025

11. APPENDICES

- A. HRA 30 Year Business Plan*
- B. Savills Report Croydon HRA Business Plan*
- C. Major Works Budget 2026-27*
- D. Equality analysis form - HRA Business Plan 2026-27*
- E. Housing services priorities report October 2025*