

**Meeting:** Council

**Date:** 5 March 2025

**Subject:** Housing Revenue Account (HRA) Revenue Budget and Rent Setting 2025/26 and HRA Capital Programme 2024-29

**Report of:** Councillor Daniel Butcher on behalf of the Cabinet

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The Council is asked to consider the minute and resolution of the Cabinet meeting held on 12 February 2025 as set out below.

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**The Council is recommended to:**

- (1) Approve the HRA Revenue budget for 2025/26 and revised budget for 2024/25 as set out at Appendix 1 to the Cabinet report.**
  - (2) Approve the five-year HRA Capital Programme as set out at Appendix 2 to the Cabinet report.**
  - (3) Approve an increase of 2.7% to social and affordable rents (including shared ownership) with effect from 7 April 2025 in line with government policy.**
  - (4) Approve that when social rented supported accommodation properties are relet to new tenants, the applicable rent will be increased by 10% above target rent with effect from 7 April 2025 in line with government policy**
  - (5) Approve that when affordable rented properties are relet to new tenants, the applicable rent is reset to a maximum of 80% of market rent (inclusive of Service Charges) with effect from 7 April 2025 in line with government policy**
  - (6) Approve the revised service charges as set out in paragraphs 2.4 of the Cabinet report and Appendix 3 to the Cabinet report are implemented with effect from 7 April 2025**
  - (7) Approve an increase of 10% to Garage rents with effect from 7 April 2025.**
  - (8) Grant delegated authority to the Chief Executive, in consultation with the Cabinet Portfolio holder for Finance and Resources and the Chief Finance Officer to devolve the relevant Management Fee from now the former Eastbourne Homes Limited (EHL) to services inside the HRA.**
  - (9) Note that £2.227m of Major Works capital expenditure profiled over 4 years between 2024/25 to 2027/28 is being 50% match funded by grant, subject to government grant bids. The Government scheme aims for improve EPC ratings in HRA properties.**
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**Minute extract**  
**Cabinet – 12 February 2025.**

The Cabinet considered the report of the Director of Finance and Performance, asking it to recommend to Full Council, the detailed Housing Revenue Account (HRA) budget proposals, rent levels and service charges for 2025/26, and the HRA Capital Programme 2024-29.

The Assistant Director - Property and Development updated Cabinet on the lobbying work undertaken with other councils, in relation to the challenges facing the HRA.

**Recommend to Full Council (Budget and policy framework):**

(1) The HRA Revenue budget for 2025/26 and revised budget for 2024/25 as set out at Appendix 1 to the report.

(2) The five-year HRA Capital Programme as set out at Appendix 2 to the report.

(3) An increase of 2.7% to social and affordable rents (including shared ownership) with effect from 7 April 2025 in line with government policy

(4) When social rented supported accommodation properties are relet to new tenants, the applicable rent will be increased by 10% above target rent with effect from 7 April 2025 in line with government policy

(5) When affordable rented properties are relet to new tenants, the applicable rent is reset to a maximum of 80% of market rent (inclusive of Service Charges) with effect from 7 April 2025 in line with government policy

(6) That the revised service charges as set out in paragraphs 2.4 of the report and Appendix 3 are implemented with effect from 7 April 2025

(7) An increase of 10% to Garage rents with effect from 7 April 2025.

(8) To grant delegated authority to the Chief Executive, in consultation with the Cabinet Portfolio holder for Finance and Resources and the Chief Finance Officer to devolve the relevant Management Fee from now the former Eastbourne Homes Limited (EHL) to services inside the HRA.

(9) To note that £2.227m of Major Works capital expenditure profiled over 4 years between 2024/25 to 2027/28 is being 50% match funded by grant, subject to government grant bids. The Government scheme aims for improve EPC ratings in HRA properties.

**Reason for decisions:**

The Cabinet must recommend to Full Council the setting of the HRA revenue and capital budget and the level of social and affordable housing rents for the forthcoming year.

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For a copy of the report please contact Democratic Services:

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A copy may be downloaded on the [Council's website](#).