Mid Suffolk District Council

Housing Revenue Account

Business Plan

Mid Suffolk
DISTRICT

HRA Business Plan 2025-26 – 30 Year Summary

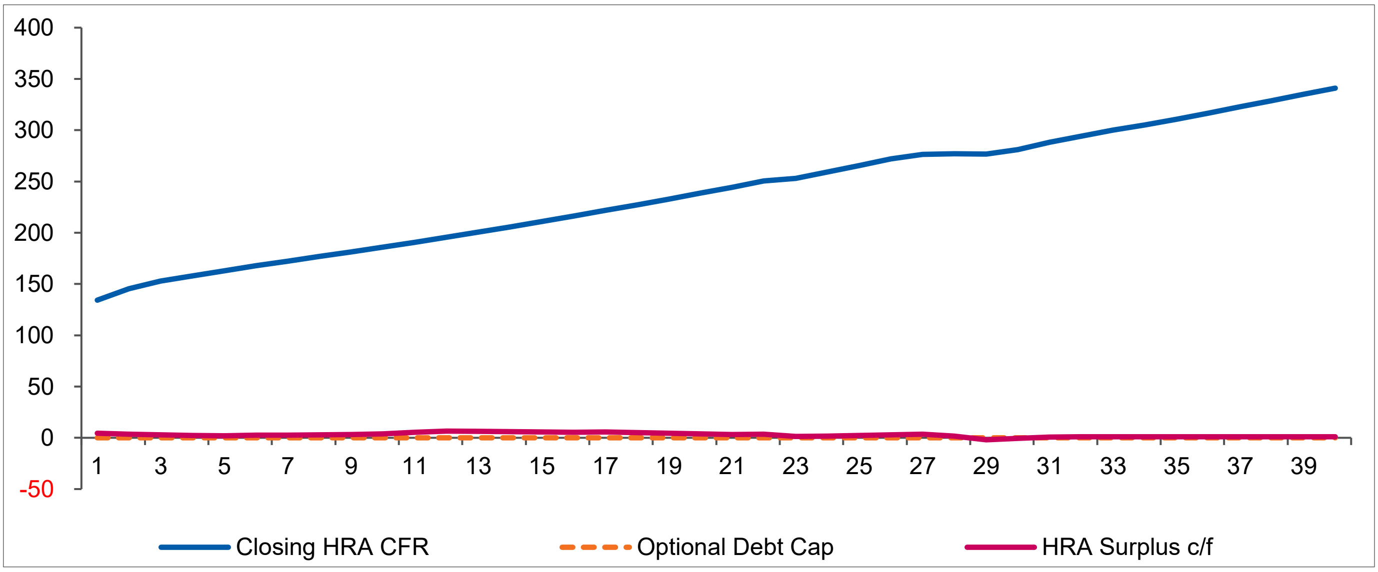
UPDATED CONVERGENCE

HRA Business Plan | Mid Suffolk DC Fortress HRA BP 2025

Financing Summary

Year	Year	Opening Loan Balance £'000	Loan Drawdowns £'000	Loan Repayments £'000	Drawdown of Revolver £'000	Repayment of Revolver £'000	**Closing Loan Balance £'000**	**HRA Surplus c/f £'000**
1	2025/26	129,019	0	0	5,219	0	**134,238**	**4,560**
2	2026/27	134,238	15,000	-15,000	11,156	0	**145,394**	**3,654**
3	2027/28	145,394	0	0	7,386	0	**152,780**	**2,756**
4	2028/29	152,780	0	0	5,134	0	**157,914**	**2,249**
5	2029/30	157,914	0	0	5,004	0	**162,918**	**2,051**
6	2030/31	162,918	0	0	4,913	0	**167,832**	**2,486**
7	2031/32	167,832	15,000	-15,000	4,540	0	**172,372**	**2,652**
8	2032/33	172,372	0	0	4,461	0	**176,833**	**2,771**
9	2033/34	176,833	0	0	4,549	0	**181,382**	**3,174**
10	2034/35	181,382	0	0	4,638	0	**186,021**	**3,874**
11	2035/36	186,021	0	0	4,729	0	**190,750**	**5,437**
12	2036/37	190,750	15,000	-15,000	4,903	0	**195,653**	**6,519**
13	2037/38	195,653	0	0	5,001	0	**200,653**	**6,283**
14	2038/39	200,653	0	0	5,101	0	**205,754**	**6,029**
15	2039/40	205,754	0	0	5,203	0	**210,956**	**5,754**
16	2040/41	210,956	0	0	5,307	0	**216,263**	**5,454**
17	2041/42	216,263	12,206	-12,206	5,413	0	**221,676**	**5,750**
18	2042/43	221,676	0	0	5,521	0	**227,197**	**5,157**
19	2043/44	227,197	0	0	5,631	0	**232,828**	**4,524**
20	2044/45	232,828	0	0	5,744	0	**238,572**	**3,848**
21	2045/46	238,572	0	0	5,859	0	**244,431**	**3,126**
22	2046/47	244,431	0	0	5,976	0	**250,407**	**3,526**
23	2047/48	250,407	0	-3,500	6,096	0	**253,003**	**1,223**
24	2048/49	253,003	0	0	6,218	0	**259,220**	**1,759**
25	2049/50	259,220	0	0	6,342	0	**265,562**	**2,325**
26	2050/51	265,562	0	0	6,469	0	**272,031**	**2,923**
27	2051/52	272,031	0	0	4,227	0	**276,258**	**3,600**
28	2052/53	276,258	0	-3,500	4,311	0	**277,069**	**1,754**
29	2053/54	277,069	0	-4,831	4,397	0	**276,635**	**-1,946**
30	2054/55	276,635	0	0	4,485	0	**281,120**	**-654**

The below chart shows the level of HRA debt versus the reserves position.



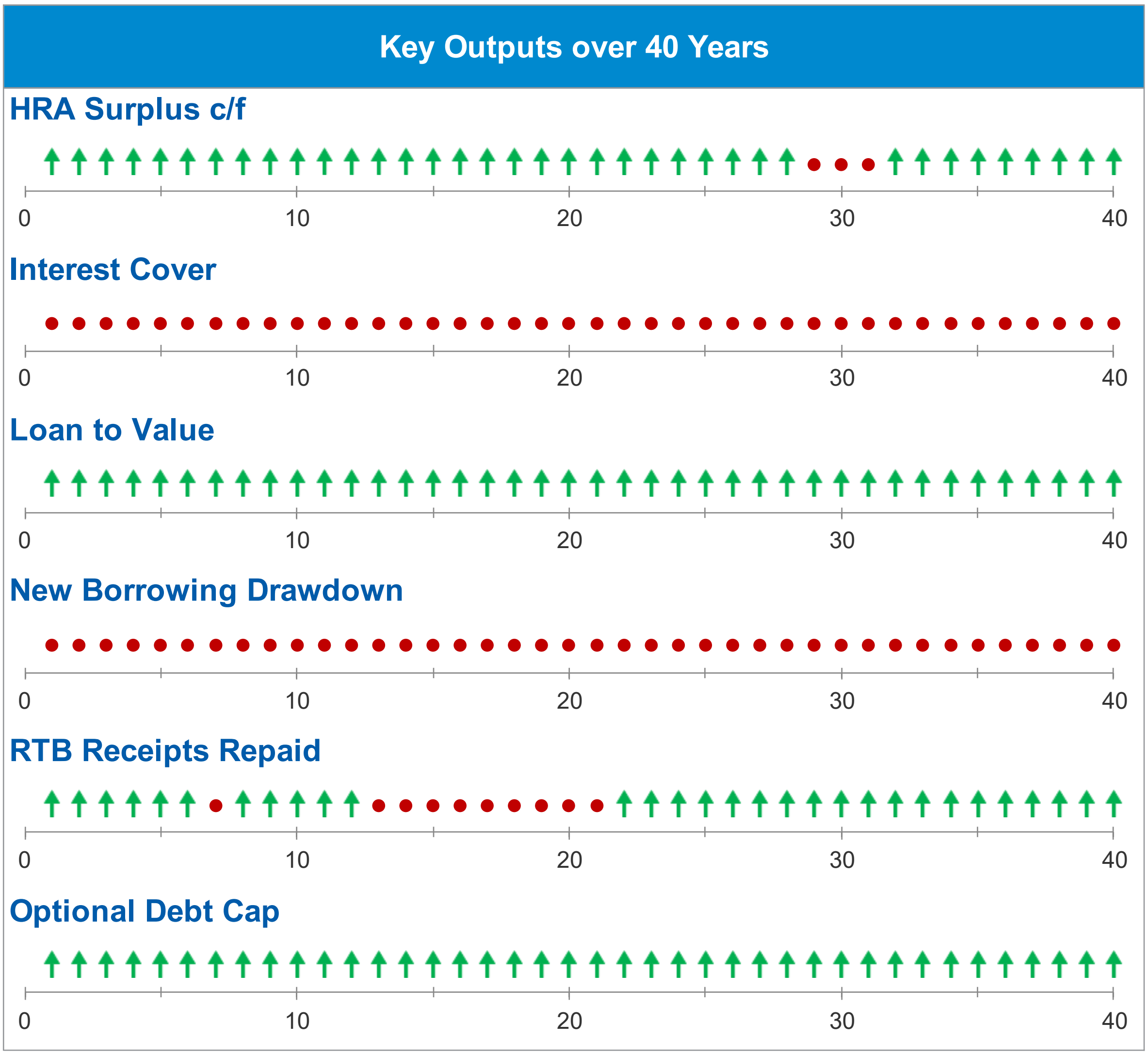
The base plan shows that the minimum revenue balance of £1m is not achieved and goes into deficit in year 29.

The base plan shows that the minimum revenue balance of £1m is not achieved in 2053/54, but it is brought back three years later, 2056/57. This is due to the repayment of arranged loans (at a lower interest rate) due in 2052/53 and 2053/54.

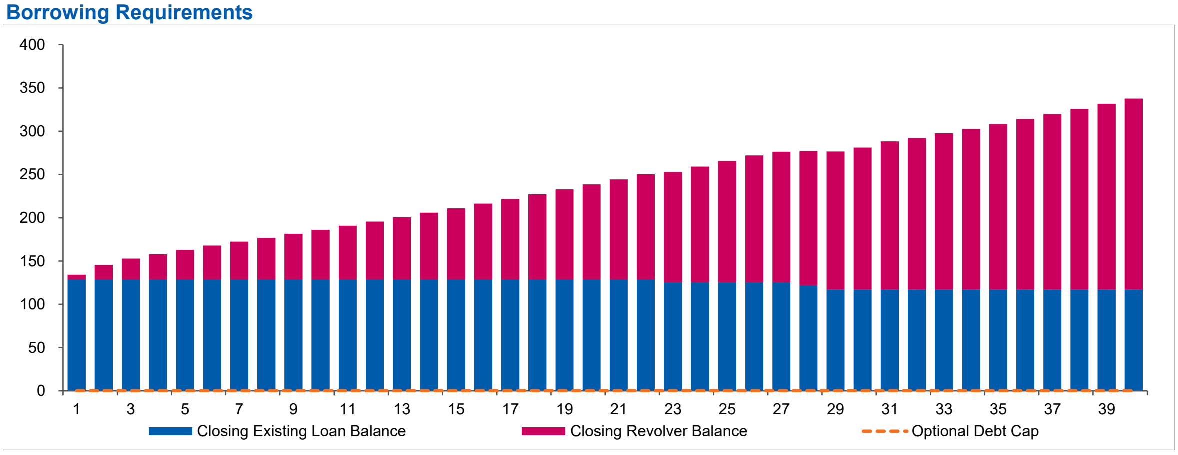
Interest cover is below 1.25 times in all years.

Borrowing more than the current loans is required to maintain the programme of works.

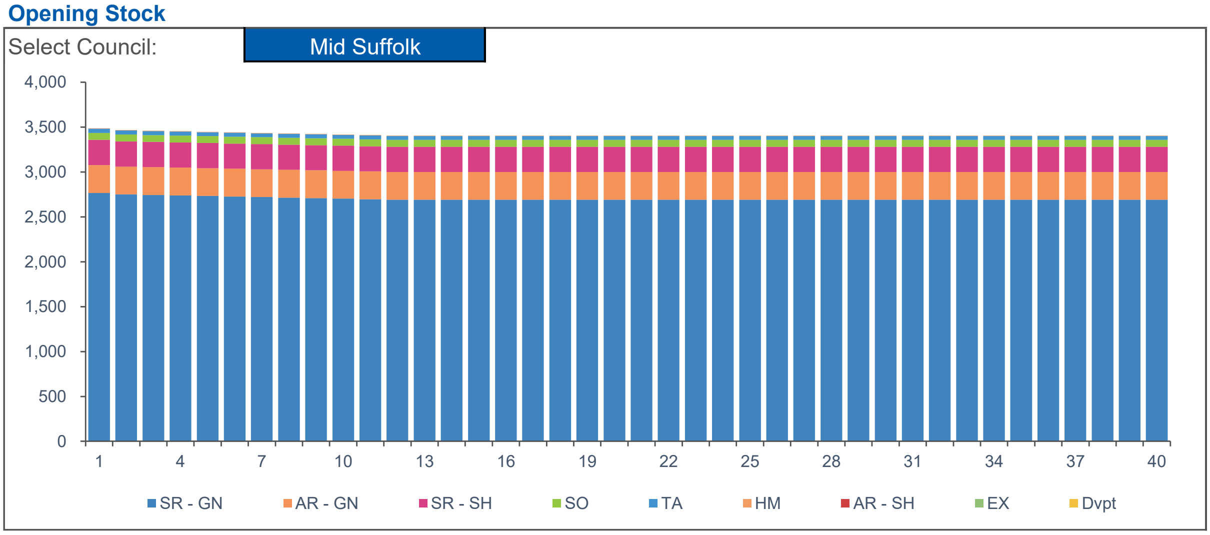
RTB 1-4-1 receipts would be repaid in year 7 and from year 13 if no more development is planned (if sales continue as estimated).



Borrowing Requirements



Opening Stock

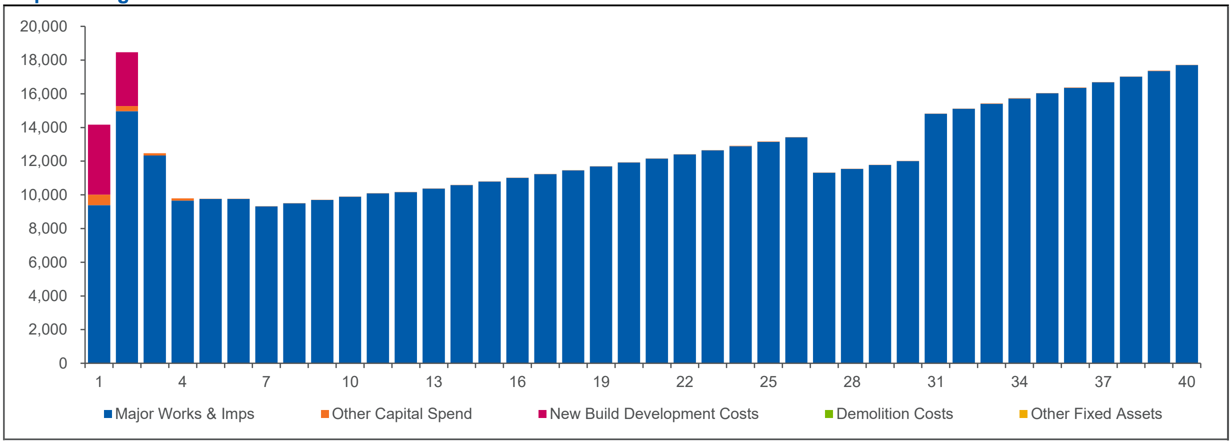


Key:
SR = Social Rents
AR = Affordable Rents
SH = Sheltered Housing
SO = Shared Ownership
TA= Temporary Accommodation
HM = Homelessness
Dvpt = Developments

Developments are due to complete in 2027/28 and then without further grant funding, we cannot afford to develop further. Therefore, our stock will reduce whilst the Right to buy schemes are assumed to still run (until 2035/36).

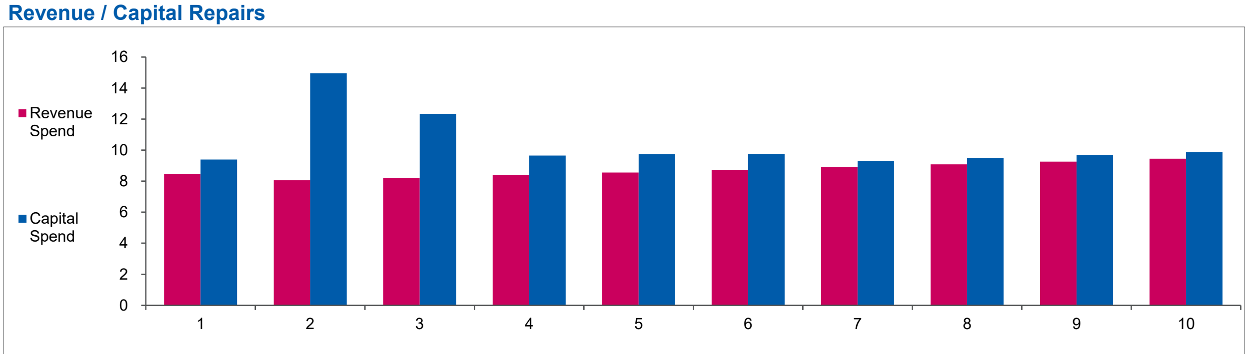
Plans for development spend can be seen alongside our capital works programme spend below:

Capital Programme



Please note that the large increased spend in years 1 to 3 is on the Decarbonisation project and years 1 to 6 increased spend on Major Works and Improvements to bring our level of non-decent homes down. The drop in spend from years 27-33 is the result of spending more at the start of the 30-year roofing works cycle.

Revenue / Capital Repairs



Year	1	2	3	4	5	6	7	8	9	10
Revenue	2,418	2,281	2,330	2,381	2,433	2,486	2,540	2,595	2,652	2,709
Capital	2,681	4,232	3,495	2,741	2,772	2,778	2,657	2,715	2,774	2,835

Previously the Revenue spend outweighed the Capital spend. Our plan is to switch this around and by investing in our properties and spending more on the assets, we will in turn, reduce the need for repairs and maintenance spend in the revenue accounts.

HRA Business Plan | Mid Suffolk DC Fortress HRA BP 2025

Operating Account - Traditional View

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Year	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**	**2035/36**	**2036/37**	**2037/38**	**2038/39**	**2039/40**	**2040/41**	**2041/42**	**2042/43**	**2043/44**	**2044/45**
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rental Income	(19,880)	(21,148)	(22,164)	(23,105)	(23,913)	(25,163)	(25,474)	(26,275)	(27,089)	(27,917)	(29,317)	(29,375)	(30,019)	(30,674)	(31,337)	(32,012)	(33,327)	(33,395)	(34,104)	(34,826)
Service Charge Income	(1,001)	(1,055)	(1,108)	(1,162)	(1,217)	(1,242)	(1,267)	(1,292)	(1,318)	(1,344)	(1,371)	(1,398)	(1,426)	(1,455)	(1,484)	(1,514)	(1,544)	(1,575)	(1,606)	(1,638)
Void Losses	310	258	270	281	291	306	310	320	330	340	357	357	365	373	381	389	405	405	414	422
Non-Dwelling Rents	(508)	(526)	(536)	(547)	(558)	(569)	(580)	(592)	(604)	(616)	(628)	(641)	(654)	(667)	(680)	(694)	(708)	(722)	(736)	(751)
Other Income	(31)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Income	**(21,110)**	**(22,472)**	**(23,539)**	**(24,534)**	**(25,398)**	**(26,669)**	**(27,013)**	**(27,840)**	**(28,683)**	**(29,539)**	**(30,961)**	**(31,059)**	**(31,736)**	**(32,424)**	**(33,122)**	**(33,832)**	**(35,175)**	**(35,288)**	**(36,035)**	**(36,795)**
Service and Management	4,850	4,252	4,337	4,424	4,512	4,603	4,695	4,788	4,884	4,982	5,082	5,183	5,287	5,393	5,500	5,610	5,723	5,837	5,954	6,073
Responsive & Cyclical	8,470	8,065	8,227	8,391	8,559	8,730	8,905	9,083	9,265	9,450	9,639	9,832	10,028	10,229	10,433	10,642	10,855	11,072	11,293	11,519
Depreciation	4,171	4,329	4,416	4,504	4,594	4,686	4,780	4,876	4,973	5,073	5,174	5,278	5,383	5,491	5,601	5,713	5,827	5,943	6,062	6,184
Bad Debts	101	109	116	121	125	132	133	137	142	146	153	154	157	161	164	168	175	175	179	183
Corp & Demo Core Charge	218	1,617	1,649	1,682	1,716	1,750	1,785	1,821	1,857	1,894	1,932	1,971	2,010	2,050	2,091	2,133	2,176	2,219	2,264	2,309
Revenue Contribution to Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenditure	**17,809**	**18,373**	**18,745**	**19,122**	**19,506**	**19,901**	**20,298**	**20,705**	**21,121**	**21,545**	**21,980**	**22,417**	**22,865**	**23,323**	**23,790**	**24,266**	**24,755**	**25,247**	**25,752**	**26,267**
Net Cost of HRA Services	**(3,300)**	**(4,099)**	**(4,795)**	**(5,412)**	**(5,892)**	**(6,768)**	**(6,715)**	**(7,135)**	**(7,562)**	**(7,995)**	**(8,981)**	**(8,642)**	**(8,871)**	**(9,101)**	**(9,333)**	**(9,566)**	**(10,420)**	**(10,042)**	**(10,283)**	**(10,527)**
Interest Received	(183)	(139)	(124)	(133)	(152)	(186)	(217)	(244)	(283)	(330)	(395)	(450)	(448)	(411)	(373)	(335)	(305)	(270)	(221)	(171)
Interest Charges	5,125	5,144	5,817	6,052	6,242	6,519	6,766	7,261	7,441	7,625	7,813	8,010	9,554	9,766	9,981	10,201	10,429	10,905	11,137	11,374
(Surplus) / Deficit for the Year	**1,642**	**906**	**898**	**507**	**198**	**(435)**	**(166)**	**(119)**	**(404)**	**(700)**	**(1,564)**	**(1,082)**	**236**	**254**	**275**	**300**	**(296)**	**593**	**633**	**676**
Opening Reserves Balance	**6,202**	**4,560**	**3,654**	**2,756**	**2,249**	**2,051**	**2,486**	**2,652**	**2,771**	**3,174**	**3,874**	**5,437**	**6,519**	**6,283**	**6,029**	**5,754**	**5,454**	**5,750**	**5,157**	**4,524**
Closing Reserves Balance	**4,560**	**3,654**	**2,756**	**2,249**	**2,051**	**2,486**	**2,652**	**2,771**	**3,174**	**3,874**	**5,437**	**6,519**	**6,283**	**6,029**	**5,754**	**5,454**	**5,750**	**5,157**	**4,524**	**3,848**

Major Repairs & Development Financing

		Capital Expenditure						Financing									
Year	Year	Major Works & Imps £'000	Other Capital Spend £'000	New Build Development Costs £'000	Demolition Costs £'000	Other Fixed Assets £'000	**Total Capital Expenditure £'000**	External Grant £'000	Homes England Grant £'000	RTB 141 Receipts £'000	Arranged Borrowing £'000	Other RTB Receipts £'000	Other Capital Receipts £'000	MRR £'000	RCCO £'000	Revolver Borrowing £'000	**Total Financing £'000**
1	2025/26	9,392	310	2,514	90	0	**12,307**	0	0	750	0	279	1,887	4,171	0	5,219	**12,307**
2	2026/27	14,963	310	4,094	0	0	**19,367**	406	0	546	0	149	2,780	4,329	0	11,156	**19,367**
3	2027/28	12,338	136	0	0	0	**12,473**	0	0	0	0	154	518	4,416	0	7,386	**12,473**
4	2028/29	9,659	138	0	0	0	**9,797**	0	0	0	0	158	0	4,504	0	5,134	**9,797**
5	2029/30	9,751	11	0	0	0	**9,762**	0	0	0	0	163	0	4,594	0	5,004	**9,762**
6	2030/31	9,757	11	0	0	0	**9,768**	0	0	0	0	168	0	4,686	0	4,913	**9,768**
7	2031/32	9,317	11	0	0	0	**9,328**	0	0	0	0	8	0	4,780	0	4,540	**9,328**
8	2032/33	9,503	11	0	0	0	**9,515**	0	0	0	0	178	0	4,876	0	4,461	**9,515**
9	2033/34	9,694	11	0	0	0	**9,705**	0	0	0	0	183	0	4,973	0	4,549	**9,705**
10	2034/35	9,887	12	0	0	0	**9,899**	0	0	0	0	188	0	5,073	0	4,638	**9,899**
11	2035/36	10,085	12	0	0	0	**10,097**	0	0	0	0	194	0	5,174	0	4,729	**10,097**
12	2036/37	10,168	12	0	0	0	**10,180**	0	0	0	0	0	0	5,278	0	4,903	**10,180**
13	2037/38	10,371	12	0	0	0	**10,384**	0	0	0	0	0	0	5,383	0	5,001	**10,384**
14	2038/39	10,579	13	0	0	0	**10,591**	0	0	0	0	0	0	5,491	0	5,101	**10,591**
15	2039/40	10,790	13	0	0	0	**10,803**	0	0	0	0	0	0	5,601	0	5,203	**10,803**
16	2040/41	11,006	13	0	0	0	**11,019**	0	0	0	0	0	0	5,713	0	5,307	**11,019**
17	2041/42	11,226	13	0	0	0	**11,240**	0	0	0	0	0	0	5,827	0	5,413	**11,240**
18	2042/43	11,451	14	0	0	0	**11,464**	0	0	0	0	0	0	5,943	0	5,521	**11,464**
19	2043/44	11,680	14	0	0	0	**11,694**	0	0	0	0	0	0	6,062	0	5,631	**11,694**
20	2044/45	11,913	14	0	0	0	**11,928**	0	0	0	0	0	0	6,184	0	5,744	**11,928**
21	2045/46	12,152	15	0	0	0	**12,166**	0	0	0	0	0	0	6,307	0	5,859	**12,166**
22	2046/47	12,395	15	0	0	0	**12,410**	0	0	0	0	0	0	6,433	0	5,976	**12,410**
23	2047/48	12,643	15	0	0	0	**12,658**	0	0	0	0	0	0	6,562	0	6,096	**12,658**
24	2048/49	12,895	15	0	0	0	**12,911**	0	0	0	0	0	0	6,693	0	6,218	**12,911**
25	2049/50	13,153	16	0	0	0	**13,169**	0	0	0	0	0	0	6,827	0	6,342	**13,169**
26	2050/51	13,416	16	0	0	0	**13,432**	0	0	0	0	0	0	6,964	0	6,469	**13,432**
27	2051/52	11,313	16	0	0	0	**11,330**	0	0	0	0	0	0	7,103	0	4,227	**11,330**
28	2052/53	11,539	17	0	0	0	**11,556**	0	0	0	0	0	0	7,245	0	4,311	**11,556**
29	2053/54	11,770	17	0	0	0	**11,787**	0	0	0	0	0	0	7,390	0	4,397	**11,787**
30	2054/55	12,006	17	0	0	0	**12,023**	0	0	0	0	0	0	7,538	0	4,485	**12,023**

Summary Appendix

SP Grant = MHCLG Funding for Tenant Satisfaction Measures

S&M General = General Services and Management

S&M Special = Support Housing (Sheltered)

Corp & Demo Core (CDC) = includes all General Fund recharges including Corporate and Democratic Core

RCCO = Revenue Contribution to Capital