



<b>Report To:</b>	South Holland District Council
<b>Date:</b>	Wednesday, 28 January 2026
<b>Subject:</b>	Report from Cabinet Meeting on 20 January 2026
<b>Purpose:</b>	To consider recommendations of the Cabinet in respect of: <ul style="list-style-type: none"><li>• HRA Business Plan and Asset Management Strategy</li></ul>
<b>Key Decision:</b>	N
<b>Portfolio Holder:</b>	Councillor Tracey Carter, Portfolio Holder for Strategic and Operational Housing
<b>Report Of:</b>	Vikki Cherry, Assistant Director - Housing
<b>Report Author:</b>	Forrest White, Democratic and Electoral Services Officer
<b>Ward(s) Affected:</b>	All Wards
<b>Exempt Report:</b>	N

### Summary

This report provides Members of the Council with details on issues considered by the Cabinet at its meeting on 20 January 2026, which require decisions by Full Council. Relevant extracts from the Cabinet minute are detailed at Section 2 below, and the relevant Cabinet report and appendices are attached as appendices to this report.

### Recommendations

That as recommended from Cabinet to Full Council:

1. To adopt the HRA Business Plan 2026-2056.
2. To delegate minor operational and legislative amendments to the HRA Business Plan 2026-2056 to the Assistant Director for Housing in consultation with the s151 Officer and the Portfolio Holder for Strategic and Operational Housing.
3. To adopt the HRA Asset Management Strategy 2026-2035.

4. To delegate minor operational and legislative amendments to the HRA Asset Management Strategy 2026-2035 to the Assistant Director for Housing in consultation with the s151 Officer and the Portfolio Holder for Strategic and Operational Housing.

### **Reasons for Recommendations**

The reasons for recommendation are detailed within the individual report attached and are summarised in the relevant Cabinet minute below.

### **Other Options Considered**

Other options considered are detailed within the individual report attached and are summarised in the relevant Cabinet minute below.

## **1. Background**

- 1.1 Article 4 of the Council's Constitution provides that only the full Council may exercise the functions of approving, adopting or amending the policy framework and budget, adopting or changing the Constitution. Staffing matters are also a Council function. The Cabinet however has responsibility for advising the Council on such matters. At its meeting on 20 January 2026, the Cabinet made recommendations to Council in respect of the above item which may affect budget and policy framework, constitution or compromise staffing issues.
- 1.2 The remainder of this report details the recommendations of the Cabinet which must be read in conjunction with the individual report to Cabinet, a copy of which is attached as appendices.

## **2. HRA Business Plan and Asset Management Strategy**

The Portfolio Holder for Strategic and Operational Housing introduced the report and stated that they were pleased to present the Council's Housing Revenue Account Business Plan 2026-2056 and Asset Management Strategy 2026-2035. They explained that the documents had been produced in partnership with Savills and had been shaped by extensive consultation with tenants, Members and senior officers.

The Portfolio Holder reported that the Business Plan set out a robust, evidence-led approach to maintaining and enhancing the Council's housing stock. It was underpinned by up-to-date stock-condition data and responded to significant changes within the social housing landscape.

They confirmed that the Housing Revenue Account remained sustainable over the full 30-year period. The plan was fully fundable, delivered against all the Council's principal

objectives, and aligned with Local Government Association benchmarks. While the plan included an increase in borrowing to deliver the largest investment programme in the history of the South Holland HRA, they emphasised that this investment was both affordable and necessary to meet government expectations and to ensure that Council homes remained safe, decent and energy-efficient.

The Portfolio Holder explained that the Asset Management Strategy translated these ambitions into a clear five-year capital investment programme. They noted that both documents would be updated annually as part of the Council's budget-setting process to reflect the latest position and to ensure responsiveness to changing conditions.

All agreed that the report represented a thorough piece of work and noted that the Council was ahead of many others in its approach. Thanks were expressed to the team involved.

A query was raised regarding wording within the document that referred to spending £62,100 on each property. It was clarified that this figure represented an average rather than a literal sum allocated to every individual property. It was suggested that the wording should be adjusted to avoid potential misunderstanding by readers. Officers confirmed that the amendment would be made.

Concern was raised regarding the costs associated with sewerage systems, particularly the replacement of sewage treatment facilities. It was asked whether the figures presented took account of private properties that were connected to Council-owned systems, and how such arrangements had been considered within the plan.

Officers confirmed that each site had been assessed on its own merits, with pricing and business-plan assumptions reflecting whether connections served private or Council-owned properties. It was noted that all 49 sites referenced in the report had been individually reviewed.

A further query was raised about whether any additional sites within the district had since been connected to mains sewerage systems, given evolving regulatory expectations from the Environment Agency and Anglian Water. The Member observed that stricter positions were being taken on the discharge from package treatment plants and suggested that this was an area requiring ongoing attention.

Officers advised that alternative options had been explored, including whether upgrades could move beyond like-for-like replacement. Advice received to date had indicated that like-for-like replacement remained the appropriate approach, though septic tank parameters and other potential solutions had been examined. They confirmed that there were no mains sewer connections on estates, all estates were off main sewers.

That Cabinet:

- a) Recommend to Council to adopt the HRA Business Plan 2026-2056.
- b) Supports the recommendation to Council to delegate minor operational and legislative amendments to the HRA Business Plan 2026-2056 to the Assistant Director for Housing in consultation with the s151 Officer and the Portfolio Holder for Strategic and Operational Housing

- c) Recommend to Council to adopt the HRA Asset Management Strategy 2026- 2035.
- d) Supports the recommendation to Council to delegate minor operational and legislative amendments to the HRA Asset Management Strategy 2026 – 2035 to the Assistant Director for Housing in consultation with the s151 Officer and the Portfolio Holder for Strategic and Operational Housing.

*(Other Options Considered:*

- *The Council is required to ensure that HRA income and expenditure are balanced over 30 years. No other alternatives were considered.*
- *To not adopt the Asset Management Strategy. This option is not recommended as the Strategy provides a clear plan to implement recommendations from the HRA Business Plan.*

*Reasons for decision:*

- *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 that avoids a deficit, whilst using robust and valid assumptions.*
- *Furthermore, there is a statutory requirement for the Council to review the 30-Year Business Plan for the HRA on an annual basis. The purpose of this exercise is to keep the long-term financial viability of the HRA under regular review).*

## **Appendices**

Appendices are listed below and attached to the back of the report:

Appendix 1	HRA Business Plan and Asset Management Strategy (covering report)
Appendix 2	Cabinet Agenda Item 10 – HRA Business Plan and Asset Management Strategy (Appendix A)
Appendix 3	Cabinet Agenda Item 10 – HRA Business Plan and Asset Management Strategy (Appendix B)
Appendix 4	Cabinet Agenda Item 10 – HRA Business Plan and Asset Management Strategy (Appendix C)
Appendix 5	Cabinet Agenda Item 10 – HRA Business Plan and Asset Management Strategy (Appendix D)

## **Background Papers**

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report

## **Chronological History of this Report**

<b>Name of Body</b>	<b>Date</b>
Cabinet	20 January 2026

## **Report Approval**

Report author: Forrest White, Democratic Services Officer

Signed off by: FWhite@sholland.gov.uk  
The individual report has previously been signed off by the  
relevant Director and Portfolio Holder

Approved for publication: As above