

Appendix 3 – HRA Capital Investment Programme 2025/26 – 2029/30

Introduction

To supplement the main report this appendix provides the detailed breakdown of the capital programme for 2025/26 and the following four financial years. Only the proposed 2025/26 budget requires approval. A high level summary is provided by programme with a strategy statement and detailed table for each programme provided.

High Level Capital Budget Proposals

	Proposed 2025/26 budget for approval £'000	Profiled budget 2025/26 £'000	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Expenditure							
New Supply	30,402	19,603	50,005	100,261	30,203	2,783	-*
Health & Safety	13,096	941	14,037	11,775	9,664	8,566	8,407
Major Works *	13,305	13,604	26,909	37,400	28,485	25,163	25,604
Planned Works	9,807	250	10,057	9,593	9,768	9,944	10,295
Sustainability	6,690	(800)	5,890	5,990	6,105	6,225	6,350
Other	4,200	-	4,200	4,056	4,062	4,068	4,075
Total Capital Investment	77,500	33,598	111,098	169,075	88,287	56,749	54,731
Funding							
Direct Revenue Funding	16,449	-	16,449	16,778	17,114	17,456	17,805
General Capital Receipts	482	-	482				
RTB Receipts	4,224	4,263	8,487	6,370	2,000	835	
Energy Grants/FITs	180	-	180	180	180	180	180
Affordable Housing Grant	3,423	16,696	20,119	2,400			
Sustainability Grant	1,200	-	1,200				
Leaseholder Income	500	-	500	500	500	500	500
New Supply Borrowing	9,482	10,881	20,363	91,491	28,203	1,948	-
Existing Stock Borrowing	41,560	1,758	43,318	51,356	40,290	35,830	36,246
Total Funding	77,500	33,598	111,098	169,075	88,287	56,749	54,731

* Subject to the approval of new projects

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New Supply

Delivering new affordable housing remains a key investment priority for the council and is supported in the HRA capital programme during 2025/26 and beyond. Dedicated staffing resources to continue to deliver on this priority are included in the revenue budget. The council takes a blended approach to delivery ensuring that new supply is provided through new build, acquisitions and refurbishment programmes.

Construction costs are estimated at the early design stage for new build projects (based on benchmark data and other tender returns) and then updated as the projects progress. New Build projects face significant challenges such as rising construction costs, delivering low rent homes and they will need to achieve key milestones e.g. achieving planning permission, breakeven viability to progress to the anticipated programme.

The forecast includes the council's commitment to a further 440 homes over the 5-year period in total; this is in addition to the 796 homes that have been delivered since 2019 up to March 2025. The policies and budgets for the projects listed below have received formal Cabinet and previously Committee approval. New projects are subject to an individual business case being approved, where possible the current strategy is for the new schemes to break even, they will be presented to Cabinet separately and included in future budget reports where applicable.

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Detailed Capital Budgets breakdown

New Supply	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Acquisitions					
Home Purchase Policy	18,129	6,667	6,667	2,783	-
Extended Home Purchase Scheme	-	2,179	-	-	-
Kubic Apartments	35	-	-	-	-
Joint Venture Purchases	178	29,824	15	-	-
Housing Led					
Palace Place	2,119	-	-	-	-
Hidden Homes	1,296	1,296	-	-	-
New Homes for Neighbourhoods					
Feasibility Studies	175	-	-	-	-
Rotherfield Crescent & Frederick Street	1,043	-	-	-	-
Windlesham	1,408	3,544	-	-	-
Moulsecoomb Hub	17,020	49,925	17,436	-	-
Eastergate Road	5,886	-	-	-	-
Hollingbury Library	2,162	826	-	-	-
Portslade Village Centre	554	6,000	6,085	-	-
	50,005	100,261	30,203	2,783	-

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Health & Safety Works

The health & safety of our residents and those who visit and work on our homes is our key priority. Legislative and regulatory changes impacting social housing landlords following the Grenfell Tower tragedy, require the Housing service to continually review our approach to health & safety compliance and assurance for council homes.

Place Overview & Scrutiny Committee on 21st January 2025 considered and noted a report providing an overview of Brighton & Hove City Council's progress in addressing housing safety and quality compliance, following the Regulator of Social Housing's (RSH) judgement on 9 August 2024. The judgement followed a period of Council engagement with RSH including sharing information on our backlog of routine repairs and Housing, Health & Safety Compliance Review. The RSH, highlighted failings in safety and quality compliance and routine repairs backlog. The RSH findings reflect the enhanced consumer regulation processes introduced in April 2024 as part of post-Grenfell reforms.

The Capital Investment Programme supports programmes of work that are necessary to meet the council's legislative and regulatory social landlord requirements. These works are essential for the safety of all our residents and will be required to be included in programmes over the coming years.

Health & Safety	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Fire Safety & Asbestos Management	5,350	3,850	3,850	3,850	3,850
Fire Doors	2,255	891	924	967	1,002
Electrical Compliance Testing Programme & Rewires	4,102	4,169	2,849	1,682	1,742
Condensation & Damp Works	1,380	1,405	1,431	1,457	1,493
Lifts	840	1,350	550	550	260
Water Safety	110	110	60	60	60
	14,037	11,775	9,664	8,566	8,407

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Major Works

Major works meet our landlord obligations through maintaining the structural, general external integrity and fabric of our properties. A major works project will be either a combination of multiple work streams (new roof, windows and external repairs), or a single piece of work such as a new roof covering to a high-rise block of flats which typically has increased costs due to the complexity of the project. Other major works may include essential repairs to concrete, brickwork and other areas. Such works will enhance the thermal comfort and living conditions of our residents through improved thermal efficiency and improved wall insulation to the external fabric.

The investment required as a result of the implementation of the Building Safety Act and Fire Safety (England) Regulations will be very significant, including in relation to works requirements arising from the compliance surveys undertaken on the 8 Large Panel System (LPS) across the city. The emergency response was funded during 2024/25 with revenue budget continuing where required to support CCTV monitoring and equipment hire. Across the 5-year capital programme, £18.770m has been allowed for relating to the first stage feasibility works, on costs and the budget for the acquisition of leasehold properties when the opportunities arise. A separate Cabinet report will be presented outlining the detailed approach and policy for these acquisitions. The 8 blocks in question are St James' House; Nettleton Court; Dudeney Lodge; Swallow Court; Kestrel Court; Kingfisher Court; Heron Court; and Falcon Court. The longer term plan for these has not yet been decided, feasibility studies and options appraisals are required to be able to inform the capital programme and funding arrangements. These will require Cabinet approval, anticipated in the Summer of 2025.

Major Works	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Albion Hill - (Low Rise)	3,170	3,160	3,370	-	-
Albion Hill - (High Rise)	4,000	8,000	6,300	6,600	-
Carlton Court	1,000	-	-	-	-
Grand Parade	1,220	-	-	-	-
Hampshire Court car park	1,450	-	-	-	-
Hampshire Court Main Works	1,000	4,000	-	-	-

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Kingswood Flats	-	586	586	-	-
Leach Court	-	3,000	2,700	-	-
LPS Blocks	4,354	3,604	3,604	3,604	3,604
Manoj House	115	-	-	-	-
Mayflower Square Externals	-	-	2,595	864	-
Milner Flats External Works	1,240	1,910	1,910	-	-
Minor structural works projects (various)	500	500	-	-	-
Stanmer Heights	-	-	-	14,095	-
Sylvan Hall	2,000	5,500	4,500	-	-
Theobald House (including concourse)	2,580	5,000	2,920	-	-
Wiltshire House	4,280	2,140	-	-	-
Future projects	-	-	-	-	22,000
	26,909	37,400	28,485	25,163	25,604

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Planned Works

Planned works programmes are formulated for five years. Planned works will typically consist of a single work stream made up of single element works such as replacement of windows or a roof to street properties, low or medium rise blocks of flats. Planned works also include external repairs and decorations, internal decorations to communal areas and replacement of entrance doors. The programmes are developed from stock condition information following our stock surveys. Where possible works will combine external repairs and windows programmes as a project to make joint use of scaffold for value for money purposes.

Planned Works	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Main Door Entry Systems & CCTV	670	687	630	660	741
Ventilation, Lighting & Lightning Protection & Fire Alarms	740	740	696	555	564
Cyclical Repairs & Decorations	2,011	1,588	1,754	1,840	1,907
Seniors Housing Improvements	-	159	165	172	178
Kitchens & Bathrooms	2,040	2,077	2,125	2,163	2,203
Windows	1,858	1,454	1,586	1,654	1,724
Roofing	1,238	1,358	1,252	1,308	1,355
Gutter Clearance	500	510	520	531	541
Service Risers	1,000	1,020	1,040	1,061	1,082
	10,057	9,593	9,768	9,944	10,295

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Sustainability

Ensuring residents live in well-insulated, efficiently heated, healthy homes and addressing fuel poverty issues remain key long-term objectives, which are supported through the capital programme. The five year programme sets out resources of £30.560m; an average investment of £6.112m per annum. This includes investment in making improvements to communal and domestic heating systems as well as identifying opportunities to install energy efficient & low carbon heating systems. The council's solar PV programme is also being taken forward.

Sustainability	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Domestic/Communal Heating Improvements	2,420	2,515	2,615	2,719	2,828
Energy Efficiency & Low Carbon Heating	1,500	1,500	1,500	1,500	1,500
Solar PV	1,220	1,210	1,210	1,210	1,210
Cavity Wall Insulation	750	765	780	796	812
	5,890	5,990	6,105	6,225	6,350

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Other Works

The capital programme allows for investment in supporting people to live independently in their homes for longer through housing adaptations. The programme also supports environmental and communal area improvement work based on resident priorities. Environmental improvements are projects that are guided by communities for improvements to benefit the community on an estate. There is an identified need for the council to have up to date integrated Housing ICT systems required to support and develop our investment programmes, ensure regulatory compliance, support works and contractor management and improve customer service. The capital programme allows for this continued investment.

Other	Total Budget 2025/26 £'000	Provisional Budget 2026/27 £'000	Provisional Budget 2027/28 £'000	Provisional Budget 2028/29 £'000	Provisional Budget 2029/30 £'000
Housing Adaptations	1,830	1,830	1,830	1,830	1,830
Housing ICT Systems	250	100	100	100	100
Minor Capital Works	870	870	870	870	870
Major Empty Property works	300	306	312	318	325
Conversions & Extensions	750	750	750	750	750
Environmental Improvements	200	200	200	200	200
	4,200	4,056	4,062	4,068	4,075