

REPORT FOR: **CABINET**

Date of Meeting:	14 July 2015
Subject:	Housing Revenue Account Business Plan update 2015
Key Decision:	Yes
Responsible Officer:	Lynne Pennington, Divisional Director of Housing Services and Dawn Calvert, Interim Director of Finance
Portfolio Holder:	Councillor Glen Hearnden, Portfolio Holder Housing Councillor Sachin Shah, Portfolio Holder Finance and Major Contracts
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	Appendix 1 Schedule of assumptions Appendix 2 Operating Account projections Appendix 3 Major Repairs and Improvements Financing projections

Section 1 – Summary and Recommendations

This report provides an update to the Housing Revenue Account (HRA) Business Plan approved in July 2014, and highlights the key changes to the underlying assumptions required to reflect the current regulatory and economic climate. The projections reflect the long term aspirations to be achieved through the Business Plan and specifically how the Council intends to maintain and improve its housing stock over a 30 year period and commence the development of new Council housing on housing land that is underutilised.

Recommendations:

Cabinet is requested to approve the HRA Business Plan update 2015.

Reason: (For recommendation)

To have in place an agreed 30 year HRA Business Plan for the purposes of long term planning (subject to annual review) and to enable delivery of previously agreed key housing objectives.

Section 2 – Report

Introduction

1. A full review of Harrow's housing strategies and policies was undertaken in 2013 to take account of the Localism Act 2011 opportunities and to ensure that the Council has consistent and workable policies which operate together to increase the housing options available to the residents of Harrow, ensure that the most vulnerable continue to have priority and access to locally affordable housing and support the continued sustainability of local communities in Harrow.
2. The Housing Business Plan was the final element of this suite of strategies and policies to be approved, and set out how we were intending to continue to support our residents in the difficult economic circumstances at the time, respond to the challenges of welfare reform, and make best use of increased Housing Revenue Account (HRA) financial resources to maintain and improve our existing Council housing stock as well as building new affordable homes.
3. The 30 year HRA Business Plan model has now been updated to reflect the current regulatory and economic climate, and builds on the 2015-16 HRA budget and Medium Term Financial Strategy (MTFS) to 2018-19 approved by cabinet in February 2015.

4. The HRA Business Plan continues to support services across the Council and complement other documents such as the Local Development Framework (LDF) Core Strategy, Economic Development, Delivering Warmer Homes Strategy, and Climate Change Strategies. The availability of good quality affordable housing is fundamental especially to households affected by welfare reform and to other vulnerable groups such as looked after children and vulnerable adults.
5. Consultation has included a report to Tenants Leaseholders and Residents Consultative Forum (TLRCF) on the rental strategy, as well as updates on the grants to move scheme, the development of the Better Homes Standard for investment in the Council's housing and estates, garage strategy and further development of the affordable housing programme.

Options considered

6. Various options have been considered with regard to maximising income in the Housing Revenue Account (HRA), how the additional revenue generated through self financing and projected additional income will be spent, making best use of the existing housing stock to meet housing need using grants to tenants, the standards to be adopted governing the improvement works that will be carried out to our housing stock, the option appraisal process for deciding the best use of housing assets and the different ways in which the Council could build new affordable housing. The details of the options considered and rejected are set out in each section below.

HRA Business Plan

7. The HRA business plan update has been developed from the previous business plan approved in June 2014 and the 2015-16 to 2018-19 HRA budget and MTFs approved by Cabinet in February 2015. This update report reflects current thinking about areas such as general inflation, national rental policy, Right-to-Buy (RTB) sales, works cost inflation, and interest rates. A schedule of the assumptions used to construct the business plan is attached as Appendix 1, but it should be noted that changes to the underlying assumptions will impact on the projections.
8. There are not a significant number of key changes from the 2014 Business Plan, as that version of the Plan took account of the significant increase in Right-to-Buy sales as a result of the increase in discount available to tenants and the changes to national rent policy in respect of the cessation of rent convergence and the inflation factor to be used to calculate annual rent increases (from the Retail Prices Index plus 0.5% to the Consumer Prices Index plus 1%). Perhaps the most significant single change is in respect of the affordable homes programme, where two new initiatives have been included to increase the number of properties within the HRA. The changes to the programme are set out below, and reflect what was incorporated in the HRA capital programme in the MTFs in February.

The 2014 Business Plan included the approved new build programme of 50 units in the base model. The current Plan extends the programme to incorporate the 20 home Purchase and Repair programme and the Phase 2 affordable new build programme of a further 30 homes. The business plan contains the full impact of these additional properties, in terms of the additional income and additional management, maintenance and longer term investment costs associated with these new homes.

At the time of the last Business Plan, the Council had submitted a bid to the Local Growth Fund for additional borrowing capacity to support the provision of new affordable housing, but the outcome was not known at the time of the Cabinet meeting. That bid was successful, and meant that the Council was allocated additional HRA borrowing capacity of £1.736m. Subsequent to that a further round of bidding was announced, and the Council was again successful in being allocated £3.6m of additional HRA borrowing capacity towards the Phase 2 affordable new build programme. This additional borrowing has been taken into account in the business plan.

Overall, the net impact of the current new build programme on the business plan is positive in revenue terms. With the development costs being fully-funded, the additional net income arising from these properties strengthens the business plan cash flows and increases capacity to support further new build in later years.

9. This is very much being seen as the start of a longer, more ambitious new build programme, and proposals continue to develop for both further new build and for a wider programme of estate regeneration going forward. The first of the estate regeneration projects the Council is proposing to undertake is in respect of Grange Farm, which is planned to be the first complete estate regeneration scheme (meaning demolition of the entire estate and rebuilding a mixture of new affordable and new private sale housing on the site) undertaken directly by the Council rather than by transferring the homes to a Housing Association partner for them to carry out the regeneration, as was the case with both Rayner's Lane and Mill Farm. Whilst this approach may be viewed as slightly more risky for the Council, the advantages of retaining the reprovided affordable housing and exercising an increased level of control over the process are seen as outweighing the risks.
10. The regeneration of Grange Farm is still at a relatively early stage, but some key appointments have been made to help progress the proposals. These include the Employer's Agents and Architects, which are key roles in the process. The initial feasibility work produced an indication of a possible design, as well as estimated net costs. The net costs varied depending on whether additional sites were acquired and the build density of the new housing on the site, but overall the net costs were seen as being affordable. The next stage of the process is to start to firm up on the designs for the new housing, which will in turn feed into work around calculating the costs of the development and the extent to which sale of the new private housing can cross-subsidise the development of the new affordable housing. In

addition, decisions will need to be made around how the regeneration will be delivered and how the risks will be shared between the Council and the developer. Until these areas have been addressed it is not possible to assess the potential impact of Grange Farm on the HRA, and the current Business Plan does not assume the full regeneration of the estate. What is currently included is some of the preparatory costs which will enable the project to proceed, and these will be taken into account in assessing the overall scheme viability at the next stage.

11. The HRA business plan reflects current budget assumptions, and assumes no cessation of services or new services coming on stream, other than the new build development programme. As well as illustrating the relative health of the HRA, the plan provides the framework within which we would expect future budgets to be set, subject to changes in underlying assumptions and/or government or Council policy, and gives an indication of the level of resources likely to be available to deliver new initiatives, build new housing, regenerate estates and potentially repay debt, should this be felt to be an appropriate course of action.
12. We have produced an updated version of the HRA business plan model, taking into account all assumed investment, repairs and management costs required over the next 30 years, assuming compliance with national rent policy, and taking account of a continued high level of sales under the Right-to-Buy scheme. The model assumes the commencement of the approved new build programme of 50 units starting this financial year, assuming that the majority of the new build units would be let at affordable rents, with the exception of 10 units assumed to be developed for shared-ownership.
13. Other than the items mentioned above, assumptions around the main cost drivers are set out below:
 - a. **Ongoing management cost assumptions** – management costs are assumed to be at the level included in the budget and MTFS to 2018-19 and to continue at that level, as adjusted for inflation thereafter. Costs will be reviewed over time to ensure that our management services provide value for money, and in the context of levels of new housing delivered by the Council or on its behalf, and our aspiration to market our management services. At this stage these costs are assumed to be effectively fixed, and no assumption has been made in respect of varying these costs for changes in stock numbers as a result of RTB sales.
 - b. **Ongoing revenue maintenance assumptions** – revenue maintenance costs are assumed to be at the level included in the budget and MTFS to 2018-19 and to continue at that level, as adjusted for inflation thereafter. Costs will be reviewed over time to ensure that we continue to provide value for money, and in the context of levels of new housing delivered by the Council or on its behalf. At this stage these costs are assumed to be effectively fixed, and no assumption has been made in

respect of varying these costs for changes in stock numbers as a result of RTB sales.

- c. **Ongoing investment assumptions** – at this stage the ongoing investment is assumed to be at the level included in the 4-year capital budget to 2018-19, and thereafter is based on what is felt to be a reasonable level of expenditure in the context of the investment plan produced as part of the asset management strategy.
 - d. **Right-to-Buy sales** – the increase in discounts to £100,000 (at the time - now £103,900) resulted in a significant increase in sales under RTB, with sales of 37 properties in 2014-15. This level of sales is expected to continue over the next few years, so for the purposes of the business plan, it has been assumed that sales would remain at 35 per annum for 5 years, dropping to 20 per annum for the following 5 years and 15 per annum thereafter. Sales at these levels do not currently cause the HRA to become unviable, although it must be said that each additional property sold reduces the long term health of the account, and places increasing emphasis on the need to control costs at a level commensurate to stock levels, either by growing the stock under management or by reducing the cost base.
 - e. **Rent setting policy** – the Council continues to set rents in line with national rent policy, and for the purposes of the Business Plan this is expected to continue to be the case. This means that future rent increases are assumed to be based on the Consumer Prices Index plus 1%, as was the case for the 2015-16 rent increase.
14. An additional factor taken into account in constructing the budget and business plan is the extent to which initiatives undertaken within the HRA can benefit the general fund. Examples of this include the existing new build programme, whereby the development of additional housing will provide a net income stream to the HRA, whilst at the same time easing pressure on homelessness budgets by enabling people on the waiting list to be housed. Additionally, the HRA grants to move scheme helps to free up bed spaces, reduce under occupation and potentially assist those affected by the spare-room subsidy changes, and again., potentially enable people on the waiting list to be housed, thus reducing the use of expensive Bed & Breakfast accommodation to meet short-term housing need.

Key business plan outputs

HRA cumulative revenue balances	
Year 5	£10.787m
Year 10	£25.390m
Year 20	£69.776m
Year 30	£160.519m
Capital resources over 30 years	
RTB receipts – general	£41.345m
RTB receipts – 1-4-1 replacement	£20.389m

15. The projections produced by the updated business plan model show an extremely healthy position, and clearly illustrate the sound position the HRA is in. Over the period of the business plan, the HRA operating account is projected to generate balances in the region of £160m, having provided for management and maintenance of, and significant investment in the existing housing stock. It should be noted that these balances assume that the Council does no further new build or regeneration, which is a very unlikely scenario. In practice, these balances are potentially available for investment in new housing and/or regeneration, and subsequent versions of the business plan will incorporate our regeneration and new build proposals as they are further developed, as well as proposals for development of services in line with the wishes of members and those of our tenants.
16. Key issues for early consideration in respect of balances include proposals for regeneration of Grange Farm, and the extent to which this should be funded from reserves, and the possible need for some form of retro-fit programme to meet the Council's Energy Conservation Obligations, which could increase investment costs above the levels currently included.
17. The business plan model is intended to be the basis for modelling alternative scenarios, and as such can be used to illustrate the potential impact of further new build/regeneration on the HRA, as well a consideration of repaying debt in addition to or in lieu of new housing. As is also indicated above, the model is intended to be a robust representation of the existing business going forward, and to establish the framework within which we would anticipate future HRA budgets being set, and we are recommending that this version of the business plan be approved for this purpose, subject to unavoidable changes in any of the underlying assumptions. This approval does not alter the fact that there will need to be an annual approval of the HRA budget and MTFs for the purposes of rent setting, but is a continuation of the shift towards taking a strategic view of the Council's housing business, and confirmation of the view that future HRA budgets should be set in the context of the long-term requirements of the business plan, and future investment decisions taken with an appreciation of the long-term implications.

Legal implications

18. Councils have general power to operate a range of cash incentive schemes under Section 129 of the 1988 Housing Act and Section 435 of the 1985 Housing Act, as amended by Schedule 18 of the 1996 Housing Act.

Equality duties

Section 149 – of the Equalities Act 2010 created the public sector equality duty. Section 149 states:-

- (1) A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
19. When making policy decisions, the Council must take account of the equality duty and in particular any potential impact on protected groups. An Equality Impact Assessment (“EQIA”) was completed, consulted on and then finalised for the Housing Strategy, which sets out the key objectives underpinning the Housing Business Plan and the initiatives set out in this report. Individual EQIAs have been completed for the consultation draft Asset Management Strategy and the Grants to Move scheme which have informed their development.

Financial Implications

20. The Financial implications are contained within the body of the report.

Equalities implications/Public Sector Equality Duty

Pursuant to the Equality Act 2010 (“the Act”), the council, in the exercise of its functions, has to have ‘due regard’ to (i) eliminating discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; (ii) advancing equality of opportunity between those with a relevant protected characteristic and those without; and (iii) fostering good relations between those with a relevant protected characteristic and those without. The relevant protected characteristics are age, race, disability, gender reassignment, pregnancy and maternity, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnership, but to a limited extent.

When making decisions, the Council must take account of the equality duty and in particular any potential impact on protected groups. There are no new equality impacts of the recommendations contained within this report as it represents a continuation of existing policy.

Council Priorities

21. This report incorporates the following council priorities:

Making a difference for the vulnerable – through providing support in finding appropriate affordable housing solutions to meet need, and developing new housing to meet future assessed need.

Making a difference for communities – through engaging residents in decisions around regeneration of estates and the wider communities, and

delivering housing that people want to live in, in areas they are proud to call home.

Making a difference for local businesses – through supporting the council-wide regeneration agenda, and maximising the contribution that new housing can make towards delivering the regeneration vision and objectives.

Making a difference for families – through providing good quality housing and safe neighbourhoods, and targeting our resources as best we can so that families can feel the full benefits of economic growth. Our priority for every family is to ensure that they can live in a neighbourhood which has a real sense of community, in a house they can be proud to call their home.

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 30 June 2015		
Name: Ian Goldsmith	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 30 June 2015		

Ward Councillors notified:	NO – because all wards are affected by the report.
EqIA carried out:	YES, previously.
EqIA cleared by:	Directorate (CHWB) Equality Task Group

Section 4 - Contact Details and Background Papers

Contact:

Dave Roberts, Finance Business Partner for Housing,
Tel 020 8420 9678 or email dave.roberts@harrow.gov.uk;

Background Papers:

None.

**Call-In Waived by the
Chairman of Overview
and Scrutiny Committee**

NOT APPLICABLE

[Call-in applies]

Housing Revenue Account business plan assumptions schedule	
General inflation (RPI)	1.3% years 2-4 then 2.5% throughout
Rent Inflation (CPI)	1.5% years 2-4 then 2.0% throughout
Average rent 2015-16	£114.97 per week
Rent increases	Per rent model and in line with revised national rent policy CPI + 1% increase Relets at target rent
Voids	In line with budget assumptions
Bad Debt Provision	In line with budget assumptions £300k pa to 2018/9 then 1% pa thereafter
Tenanted service charges	Per rent model: 2015-16 average £2.91 per week Inflated at CPI + 1%
Leasehold service charges	2015-16 Average £7.80 per week Inflation at 3% pa year 4 Thereafter at inflation-only
Facilities charges	£602,001 pa 2015-16 Inflation + 3.7% to 2018-19 (per budget – in line with assumed increases in costs) Inflation only thereafter
Garage rents	£281,976 pa No Inflation assumed (per budget - pending outcome of garage strategy review)
Shops	£276,716 pa Inflation only currently assumed (per budget)
Halls	£89,641 pa 2015-16 No inflation assumed (per budget)
RTB sales	35 per annum to year 5 20 per annum years 6 – 10 15 per annum thereafter RTB receipts assumed used for capital funding.
Other disposals of stock	None currently assumed
Management costs	In line with budget assumptions Inflation in line with budget to 2018-19, Salaries assumed inflation only thereafter Other costs assumed inflation -0.5% thereafter Cost not currently assumed to have any significant variable element
Investment in services budget	Majority of this now contained in base cost assumptions Residual amount included in line with budget and previous business plan, at £200k pa No inflation to 2018-19, inflation only thereafter
SSCs	£3,528k 2015-16 Inflation assumed in line with management costs

Housing Revenue Account business plan assumptions schedule	
Contingency budget	2015-16 £200k Inflation assumed in line with management costs
Rent rebate subsidy limitation	Nil – Limit rent now set to target level so this should no longer apply unless our average rents exceed target rent levels
Depreciation	2015-16 £6,906k Varies with stock numbers No inflation to 2018-19 Inflation minus 0.5% thereafter NB – this assumption will have a neutral impact on resources as it is a transfer to the Major Repairs Reserve used to fund capital expenditure.
Capital investment expenditure	In line with the 4-year capital budget to 2018-19, including provision for new initiatives such as grants to move. In excess of £8,500k per annum thereafter Inflation only Costs not currently assumed to have any variable element
Revenue repairs expenditure	In line with budget to 2018-19 £6,958k per annum thereafter Inflation only Costs not currently assumed to have any variable element
New Build	Phase 1 50 units on HRA infill and garage sites by end of 2016-17 40 for affordable rent 10 shared ownership Estimated build cost of £8.5m Phase 2 30 affordable rented units on HRA infill and garage sites by end of 2017-18 Estimated build cost of £6.176m Purchase & Repair programme of 20 units by end of 2015-16 Estimated purchase cost of £6.232m Currently assumed funded from additional borrowing approvals plus existing resources, including RTB receipts, affordable housing pot, grant and revenue contributions.
Capital Financing	Combination of Major Repairs Reserve, Revenue contributions and capital receipts Some s20 receipts in first four years Capital programme fully financed
HRA working balance	Assumed minimum requirement £2,000k in 2015-16 Inflated at RPI only Not adjust for stock numbers Minimum balance exceeded throughout period of business plan

Housing Revenue Account business plan assumptions schedule

HRA debt	£149.6m initially increasing by £1.736m in 2015-16 and £3.6m in 2016-17 – assumed constant thereafter
Interest rate	4.2978% - assumed constant throughout
Interest on balances	0.5% throughout

Harrow Council																				
HRA Business Plan																				
Operating Account																				
		Income					Expenditure								Surplus (Deficit) for the Year		Surplus (Deficit) b/fwd		Surplus (Deficit) c/fwd	
Year	Year	Net rent Income	Other income	Misc Income	RTB Admin	Total Income	Managt.	Depreciation	Responsive & Cyclical	Misc expenses	Total expenses	Capital Charges	Net Operating (Expenditure)	RCCO	£,000	£,000	£,000	£,000	£,000	£,000
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
1	2015.16	29,845	1,148	947	100	32,040	(10,576)	(6,906)	(6,748)	(791)	(25,021)	(6,494)	526	0	526	4,395	44	4,965		
2	2016.17	30,672	1,283	953	100	33,008	(10,712)	(6,857)	(6,845)	(769)	(25,183)	(6,609)	1,216	0	1,216	4,965	43	6,224		
3	2017.18	31,509	1,315	959	100	33,883	(10,800)	(6,906)	(6,943)	(773)	(25,423)	(6,687)	1,773	(825)	948	6,224	45	7,218		
4	2018.19	32,222	1,349	965	100	34,636	(10,886)	(6,857)	(7,030)	(776)	(25,549)	(6,687)	2,401	(2,308)	93	7,218	47	7,358		
5	2019.20	33,742	1,381	976	100	36,199	(11,139)	(6,987)	(7,220)	(796)	(26,142)	(6,687)	3,370	0	3,370	7,358	59	10,787		
6	2020.21	33,926	1,413	988	57	36,384	(11,394)	(7,075)	(7,401)	(816)	(26,686)	(6,687)	3,011	0	3,011	10,787	71	13,870		
7	2021.22	34,816	1,446	1,000	57	37,320	(11,655)	(7,186)	(7,587)	(836)	(27,264)	(6,687)	3,369	(241)	3,128	13,870	80	17,078		
8	2022.23	35,729	1,480	1,012	57	38,279	(11,922)	(7,299)	(7,777)	(857)	(27,855)	(6,687)	3,737	(1,586)	2,151	17,078	91	19,319		
9	2023.24	36,665	1,515	1,025	57	39,262	(12,195)	(7,414)	(7,972)	(878)	(28,459)	(6,687)	4,116	(1,692)	2,423	19,319	103	21,845		
10	2024.25	38,347	1,551	1,038	57	40,993	(12,475)	(7,531)	(8,172)	(900)	(29,077)	(6,687)	5,229	(1,802)	3,427	21,845	118	25,390		
11	2025.26	38,620	1,587	1,051	43	41,301	(12,760)	(7,649)	(8,376)	(923)	(29,708)	(6,687)	4,907	(2,235)	2,672	25,390	134	28,195		
12	2026.27	39,662	1,625	1,065	43	42,394	(13,053)	(7,777)	(8,585)	(946)	(30,361)	(6,687)	5,347	(2,420)	2,927	28,195	148	31,271		
13	2027.28	40,730	1,663	1,079	43	43,515	(13,352)	(7,907)	(8,800)	(970)	(31,029)	(6,687)	5,800	(2,594)	3,205	31,271	164	34,640		
14	2028.29	41,827	1,702	1,093	43	44,665	(13,658)	(8,039)	(9,020)	(994)	(31,711)	(6,687)	6,267	(2,723)	3,544	34,640	182	38,366		
15	2029.30	42,952	1,743	1,108	43	45,845	(13,972)	(8,174)	(9,245)	(1,019)	(32,409)	(6,687)	6,749	(2,856)	3,893	38,366	202	42,461		
16	2030.31	44,954	1,784	1,123	43	47,904	(14,292)	(8,310)	(9,476)	(1,044)	(33,123)	(6,687)	8,094	(2,993)	5,101	42,461	225	47,787		
17	2031.32	45,291	1,826	1,138	43	48,298	(14,621)	(8,449)	(9,713)	(1,070)	(33,853)	(6,687)	7,758	(3,135)	4,623	47,787	250	52,660		
18	2032.33	46,506	1,870	1,154	43	49,572	(14,956)	(8,590)	(9,956)	(1,097)	(34,599)	(6,687)	8,286	(3,282)	5,005	52,660	276	57,941		
19	2033.34	47,753	1,914	1,170	43	50,880	(15,300)	(8,733)	(10,205)	(1,124)	(35,362)	(6,687)	8,831	(3,434)	5,397	57,941	303	63,641		
20	2034.35	49,032	1,960	1,187	43	52,221	(15,651)	(8,879)	(10,460)	(1,152)	(36,143)	(6,687)	9,392	(3,590)	5,802	63,641	333	69,776		
21	2035.36	51,313	2,007	1,204	43	54,566	(16,011)	(9,027)	(10,722)	(1,181)	(36,940)	(6,687)	10,939	(3,752)	7,187	69,776	367	77,330		
22	2036.37	51,691	2,055	1,221	43	55,010	(16,379)	(9,177)	(10,990)	(1,211)	(37,756)	(6,687)	10,567	(3,919)	6,648	77,330	403	84,381		
23	2037.38	53,073	2,104	1,239	43	56,458	(16,755)	(9,329)	(11,265)	(1,241)	(38,590)	(6,687)	11,181	(4,091)	7,090	84,381	440	91,911		
24	2038.39	54,490	2,154	1,258	43	57,944	(17,141)	(9,484)	(11,546)	(1,272)	(39,443)	(6,687)	11,815	(4,270)	7,545	91,911	478	99,934		
25	2039.40	55,944	2,206	1,276	43	59,469	(17,535)	(9,642)	(11,835)	(1,304)	(40,315)	(6,687)	12,467	(4,453)	8,014	99,934	520	108,468		
26	2040.41	57,436	2,258	1,296	43	61,033	(17,938)	(9,802)	(12,131)	(1,337)	(41,207)	(6,687)	13,139	(4,643)	8,496	108,468	564	117,527		
27	2041.42	60,101	2,313	1,315	43	63,772	(18,351)	(9,964)	(12,434)	(1,370)	(42,119)	(6,687)	14,966	(4,839)	10,127	117,527	613	128,267		
28	2042.43	60,537	2,368	1,335	43	64,284	(18,773)	(10,130)	(12,745)	(1,404)	(43,052)	(6,687)	14,545	(5,041)	9,504	128,267	665	138,436		
29	2043.44	62,148	2,425	1,356	43	65,973	(19,206)	(10,297)	(13,063)	(1,439)	(44,006)	(6,687)	15,280	(5,253)	10,027	138,436	717	149,181		
30	2044.45	63,801	2,484	1,377	43	67,705	(19,648)	(10,468)	(13,390)	(1,475)	(44,981)	(6,687)	16,037	(5,471)	10,566	149,181	772	160,519		

**Harrow Council
HRA Business Plan**

Major Repairs and Improvements Financing

						Financing							
Year	Year	Planned Major Repairs	Disabled Adaptations	Total new development /acquisition costs	Total Expenditure	Borrowing	RTB Receipts	Other	MRR	RCCO	Total Financing	Shortfall	
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	
1	2015.16	9,022	615	12,019	21,657	1,736	4,742	5,574	9,605	0	21,657	0	
2	2016.17	7,797	615	4,725	13,137	3,600	2,783	426	6,328	0	13,137	0	
3	2017.18	8,524	615	6,176	15,315	0	3,335	2,263	8,892	825	15,315	(0)	
4	2018.19	8,524	615	0	9,139	0	1,807	0	5,024	2,308	9,139	0	
5	2019.20	8,737	630	0	9,368	0	1,853	0	7,514	0	9,368	0	
6	2020.21	8,956	646	0	9,602	0	1,141	0	8,460	0	9,602	0	
7	2021.22	9,180	662	0	9,842	0	1,171	0	8,429	241	9,842	0	
8	2022.23	9,409	679	0	10,088	0	1,202	0	7,299	1,586	10,088	(0)	
9	2023.24	9,644	696	0	10,340	0	1,233	0	7,414	1,692	10,340	0	
10	2024.25	9,885	713	0	10,599	0	1,266	0	7,531	1,802	10,599	0	
11	2025.26	10,165	731	0	10,896	0	1,012	0	7,649	2,235	10,896	0	
12	2026.27	10,487	749	0	11,236	0	1,039	0	7,777	2,420	11,236	(0)	
13	2027.28	10,800	768	0	11,568	0	1,067	0	7,907	2,594	11,568	0	
14	2028.29	11,070	787	0	11,858	0	1,095	0	8,039	2,723	11,858	0	
15	2029.30	11,347	807	0	12,154	0	1,124	0	8,174	2,856	12,154	0	
16	2030.31	11,631	827	0	12,458	0	1,154	0	8,310	2,993	12,458	0	
17	2031.32	11,921	848	0	12,769	0	1,185	0	8,449	3,135	12,769	0	
18	2032.33	12,220	869	0	13,088	0	1,217	0	8,590	3,282	13,088	0	
19	2033.34	12,525	891	0	13,416	0	1,249	0	8,733	3,434	13,416	0	
20	2034.35	12,838	913	0	13,751	0	1,282	0	8,879	3,590	13,751	0	
21	2035.36	13,159	936	0	14,095	0	1,317	0	9,027	3,752	14,095	0	
22	2036.37	13,488	959	0	14,447	0	1,352	0	9,177	3,919	14,447	0	
23	2037.38	13,825	983	0	14,808	0	1,388	0	9,329	4,091	14,808	0	
24	2038.39	14,171	1,008	0	15,179	0	1,425	0	9,484	4,270	15,179	0	
25	2039.40	14,525	1,033	0	15,558	0	1,463	0	9,642	4,453	15,558	0	
26	2040.41	14,888	1,059	0	15,947	0	1,502	0	9,802	4,643	15,947	0	
27	2041.42	15,260	1,085	0	16,346	0	1,542	0	9,964	4,839	16,346	0	
28	2042.43	15,642	1,112	0	16,754	0	1,583	0	10,130	5,041	16,754	0	
29	2043.44	16,033	1,140	0	17,173	0	1,623	0	10,297	5,253	17,173	0	
30	2044.45	16,434	1,169	0	17,603	0	1,664	0	10,468	5,471	17,603	0	