Harrow COUNCIL LONDON

REPORT FOR: CABINET

Date of Meeting:	10th October 2019
Subject:	Housing Revenue Account Business Plan update 2019
Key Decision:	Yes, sets framework for investment in Council housing and basis for the Budgets and MTFS 2020-21 onwards.
Responsible Officer:	Nick Powell, Divisional Director of Housing; Dawn Calvert, Director of Finance
Portfolio Holder:	Councillor Phillip O'Dell, Portfolio Holder Housing; Councillor Adam Swersky, Portfolio Holder Finance and Resources
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	**Appendix 1 Schedule of assumptions;** **Appendix 2 Revenue account projections** **Appendix 3 Capital account projections**

Section 1 – Summary and Recommendations

This report provides an update to the Council's Housing Revenue Account (HRA) Business Plan following approval, as part of the budget report, by Council 28th Feb 2019 to build up to 659 new homes in accordance with the Mayor of London's Building Council Houses for Londoner's (BCHfL) programme. The report sets out the key assumptions used together with an update on key economic and regulatory factors.

Recommendations:

Cabinet is requested to approve the HRA Business Plan update 2019 which will set the framework for the draft HRA Budget 2020-21 & MTFS 2021-22 to 2022-23 and capital programme which will be submitted to Cabinet 5th December 2019.

Reason: (For recommendations)

To have in place an updated 30 years HRA Business Plan required for construction projects within the HRA which will have significant impacts on the Community and Businesses within the Borough by providing much needed accommodation and infrastructure. Given the nature and scale of the approved new developments regular and rigorous reviews of the HRA Business Plan are warranted together with consideration of alternative delivery models to achieve new housing supply.

Section 2 – Report

Introductory paragraph

1. The last HRA Business Plan Update, approved by Cabinet 15th November 2018, set out two options to the Council :
   - to proceed with a more ambitious programme through further grants and borrowing resulting in a significantly increased housing supply
   - to complete the schemes already in progress and not proceed with a more ambitious programme

2. The first option was approved as a sustained depletion of Council housing stock through Right to Buy ("**RTB**") sales is set to continue which will eventually compromise the viability of the Council's HRA as well as accentuate pressures on the General Fund from the cost of homelessness accommodation unless there is significant new supply of housing.

3. Council approved, as part of the budget report on 28th February 2019, the construction of up to 659 homes funded by GLA grant £32.144m, Housing Infrastructure Fund (HIF) grant £10m, additional approved borrowing £83.6m with the remainder made up of other HRA capital resources, with no impact on General Fund. The total cost of these new homes comes to £171.163m

4. This would assume full achievement of the programme of cost reductions totalling £1.9m on the revenue account by 31 March 2021. The capital programme is based on the latest stock condition data with priority given to compliance and Health & Safety works with a reduced scope for Better Homes works moving to a "just in time" approach to ensure the programme remains affordable.

5. This report refreshes the position taking into account 20 homes have already completed leaving 639 remaining to be built with £1.395m of the £32.144m GLA grant received leaving £30.749m to be claimed and the full £10m HIF funding to be received.

6. Updated borrowing requirements have been included in the Council's Treasury Management update.

Options considered

<u>Background</u>

7. Financial year 2019-20 is the last year of the Government imposed statutory rent reductions spanning the four years 2016-17 to 2019-20 inclusive and Government have since approved rent increases of up to CPI + 1% for five years 2020-21 to 2024-25 inclusive, however it is considered reasonable such increases will continue in the longer term given CPI is expected to be 2% which is the long term Government target for inflation therefore it has been assumed rents will increase CPI+1% indefinitely.

8. Self-financing of the HRA, introduced in 2012, imposed a limit on the Council's HRA borrowing of £150.683m, which was reached as at 31st March 2019. Government reforms regarding the borrowing allowed for new build schemes subsequently permitted Councils to borrow for new home building therefore the Business Plan assumes additional borrowing of £83.6m to support the programme. Although the framework for regulation of this additional borrowing has yet to be clarified it has been assumed this borrowing will be subject to the Prudential Framework and will therefore form part of the Council's Treasury Management update.

9. Active discussions with the GLA have also resulted in additional grant funding of £42.144m being secured which, combined with additional approved borrowing, will support the building of an additional 639 homes to reach the 659 target approved by Council. The grant will be drawn down in phases and linked to construction progress.

<u>Options</u>

10. The Council's HRA can proceed with the programme of building 659 new units within the HRA, including the transfer of 72 Gayton Road units from General Fund, approved by Cabinet 12th September 2019, or consider alternative delivery models should the HRA Business Plan suggest a level of risk which cannot be mitigated from the HRA.

Option 1: Continue with the new build programme within the HRA

11. This would provide up to 659 additional units across a mix of tenures including Affordable Rented and shared ownership as part of the BCHfL programme

12. Full utilisation of approved grant and borrowing would be assumed and tested against a broader suite of assumptions in the HRA Business Plan.

13. Regular review and testing of assumptions would ensure continued viability given changing macro-economic and regulatory assumptions with appropriate mitigations against identified risks:

- **Scheme phasing** – new build schemes will be procured in a phased manner once planning consents are secured and the Business Plan re-evaluated to ensure continued viability. This would prevent over extension of resources which would otherwise adversely impact on delivery of core services. Borrowing would also be drawn down in phases to limit Council's exposure to debt In accordance with the Council's Treasury Management Strategy.

- **Regular re-appraisal** – Business Planning process to continue with reappraisals addressing a range of factors including scheme costs, interest rates, inflation and regulatory issues

- **Set up earmarked reserves**– for client contingency to safeguard against unforeseen events and regulatory reforms; this will ensure specific resources are set aside and kept separate from general reserves.

Option 2 : Consider alternative delivery models

- The HRA Business Plan is predicated on a suite of assumptions which can potentially have a significant impact on the viability of the service.
- Although the Business Plan has been stress tested for changes in key assumptions, it is considered prudent for the Council to remain prepared to consider and expedite alternative delivery models to ensure the new housing supply is achieved in full as part of the HRA's risk management strategy.
- Work is ongoing in considering these options in the context of the Council's wider regeneration aspirations and will be reported to Cabinet at the appropriate time.

Option 1 is the preferred option being taken forward as it will provided much needed housing supply for the local community as well as mitigating the costs of homelessness on the General Fund.

Significant assumptions

14. Planned investment programme has been refreshed using latest stock condition data and the costs of investment reflect a reduction in scope of the Better Homes Standard together with statutory and compliance works required by current health & safety standards.

15. Service Reviews, aimed at achieving permanent reductions in overall net revenue cost base of £1.9m, are expected to be achieved by March 2021 :

    - Business Plan update (Cabinet 15th November 2018) assumes all revenue cost reductions would be achieved by March 2021

    - Latest review corroborates this trajectory therefore this update assumes full achievement of permanent cost reductions of £1.9m on the revenue account by 31st March 2021 subject to staffing restructure being completed.

16. A review of tenant service charges is in progress which will ensure tenants are charged appropriately for services received and all relevant costs recovered; this will be used to inform construction of the draft HRA budget which will be submitted to Cabinet 5th December 2019.

17. Other significant assumptions, details given in Appendix 1, underlying this update are given below:

    a) **Rental income** – although the Government has confirmed Council may increase social rents by CPI + 1% from April 2020 for five years, the update assumes these annual increases will be permitted indefinitely; this assumption is considered reasonable in the absence of further information as this was the approved formula prior to introduction of rent reductions. Rents for the BCHfL programme will be at London Affordable Rent where they are part funded by GLA grant although rents for existing tenants remaining at Grange Farm will be at Council social rents (in accordance with our tenants charter commitment).

    b) **Right to Buys** – approved budget assumed 13 sales increasing gradually to 18 by 2026-27 however review of sales to date indicates 20 per annum from 2019-20 onwards with an average discount of £105k (current maximum is £110.5k). It is assumed retained RTB receipts permitted to finance qualifying schemes will remain at 30% (under current rules) , although there is a proposal to increase this to 50% (see below "Consultation papers").

    c) **Recycled RTB receipts** – it has been assumed £2.6m retained RTB receipts, which would otherwise have to be repaid to Government, will be recycled through the GLA as a grant through the RTB ring fence offer to support the Grange Farm regeneration scheme.

    d) **Grant** – Housing Infrastructure Funding grant of £10m assumed for Grange Farm; all infrastructure works assumed completed by 31 March 2021 so the full amount can be utilised. GLA grant of £100k per social unit and £38k per shared ownership unit has also been assumed, payable 50% start on site, 50% on completion.

e) **Bad debt provision** – assumed £150k for 2019-20 increasing to £250k from 2020-21 as set out in Appendix 1, although this will be kept under review as full impact Government reforms , mainly the Welfare Reform & Work Act 2016, become clear.

f) **Ongoing management cost assumptions** – management costs, which reflect the impact of the Housing Senior Management restructure required as part of the £1.9m cost reductions, are assumed to be at the level included in approved budget 2019-20 and to continue at that level, adjusted for inflation as appropriate. Costs will be reviewed to ensure they are commensurate with stock numbers.

g) **Ongoing revenue maintenance assumptions** – revenue maintenance costs are assumed to be at the level included in approved budget 2019-20, as adjusted for inflation as appropriate. Costs will be reviewed to ensure they are commensurate with stock numbers. A review of the repairs function is ongoing to establish budgetary requirements the results of which will be included in the Draft HRA Budget for 2020-21 and MTFS 2021-22 to 2022-23 for approval by Cabinet.

h) **General Reserves** – minimum balances of £2.2m as at 31st March 2020 and an average of £2.6m over ten years are required based on a prudent estimate of 7% of gross income. The Business Plan projects £6.5m general revenue reserves as at 31st March 2020 with an average of £5.1m over ten years. Despite this, balances reach minimum recommended levels within five years therefore additional expenditure over that already factored in will result in a breach of these recommended balances.

i) **Earmarked reserves** – Council's HRA has three earmarked (or specific) reserves set up for prescribed purposes :

- Transformation fund – to support investment in replacement Housing IT system and redundancy / pension strain costs associated with staffing restructure affecting Council's HRA

- Hardship fund – to support the most vulnerable and disadvantaged Council tenants affected by the Governments programme of Welfare Reforms which can significantly reduce benefit entitlement and the ways these are paid

- Regeneration reserve – it is prudent to set aside reserves for unforeseen expenditure for which no budget provision was made.

The Business Plan has assumed set aside for the above items although these will be kept under review.

j) **Borrowing** – this is divided into historic and new borrowing :

- historic debt – this includes debt that self-financing Authorities were required to take on in order to leave the subsidy system and resulted in the Council reaching the Government imposed cap of £150.683m on 31st March 2019; this will be reduced commensurate with the number of RTB disposals thereby reducing interest exposure and providing capacity for future investment in existing stock. Interest on this historic debt, shared in a single loans pool with General Fund, averages at 4.05%

- new borrowing – for new build programme only, estimated at £83.6m in line with approved budget and expected to be at lower interest rate of 2.5%, not shared with General Fund.

Neither debt attracts Minimum Revenue Provision (MRP) which is a set aside designed to ensure the principal debt is repaid at the end of the term of the debt as this is not currently required for the HRA.

k) **Use of HRA stock as Temporary Accommodation –** HRA units have been used to accommodate homeless families and it has been assumed this will continue to alleviate the significant cost pressures which would otherwise arise on the Council's General Fund.

18. A full list of assumptions under pinning this update of the HRA Business Plan is given in Appendix 1.

Summary outputs

19. The table below summarises the key outputs from the Business Plan as at years 5, 10 and 15, based on the current information available and assumptions listed in Appendix 1 and shows, on a cumulative basis:

- Revenue reserves
- Capital expenditure including new build
- Debt, historic and new debt
- Major Repairs Reserve (MRR) which can be used for additional capital expenditure and repayment of debt

Cumulative revenue & capital expenditure and borrowing

Financial year, all cumulative	Revenue reserves £'000s	Capital expenditure £'000s	Borrowing including historic debt £'000s	MRR after provision for debt repayments £'000s
2023-24, to yr 5	2,689	195,279	230,588	0
2028-29, to yr 10	8,911	236,978	226,906	7,733
2033-34, to yr 15	23,924	290,375	223,225	10,565

20. MRR can be used to repay debt thereby reducing interest costs or be used to increase planned investment in stock.

21. Although estimated balances on the MRR are expected to steadily increase in the medium term these will become fully utilised over the life of the Business Plan therefore neither of the two options in paragraph 20 apply.

22. Longer term projections of the revenue and capital accounts are given in Appendices 2 and 3 respectively.

Government Consultations

23. “Rents for social housing from 2020-21” – confirms Government will permit Councils to increase social and affordable rents by CPI + 1% from April 2020 for five financial years, although there are no assurances past March 2025. A direction was issued formalising this policy 26th February 2019.

24. This update assumes CPI + 1% rent increases for all years from April 2025 as it is considered a fair and reasonable assumption given the information as at the date of this report.

25. “Use of receipts from Right to Buy sales” – Government is proposing increasing the proportion of eligible new build expenditure which can be funded from retained right to buy receipts from 30% to 50% as well as potentially extending the deadline for reinvestment of these proceeds from three to five years enabling councils more time and manoeuvrability to reinvest earmarked sales proceeds to replenish stock lost through right to buy. This will mean Council will have to put less of its own resources in should this proposal go through.

26. Other proposals in this consultation paper include ring fencing of returned RTB receipts for future use by the Council, possibly as a recycled grant, and allowing greater flexibility in the use by Council owned housing companies to reinvest these proceeds on the Council’s behalf. Another proposal is extending the use of retained RTB receipts to fund shared ownership products and providing increased flexibility for the transfer of vacant General Fund land to HRA for development. Consultation closed 9th October 2018 and Government are reviewing responses as at date of this report.

Performance Issues

27. The BCHfL programme contributes to delivery of the Homes for Harrow programme and the specific delivery targets agreed with the GLA for Harrow’s Council House Building for Londoners Programme, the Council’s target to deliver at least 500 new council homes as well as the overall affordable housing targets set out for Harrow in the London Plan. Failure to take the project forward would jeopardise achievement of the above targets and potentially result in grant funding not being taken up resulting in costs already incurred being written off to revenue which would compromise the longer term viability of the Council’s HRA.

Environmental Implications

28. All new homes have to meet high standards of energy efficiency to reduce CO_2 emissions as well as reduce fuel poverty as required by London Plan.

Data Protection Implications

29. There are no GDPR implications.

Risk Management Implications

30. Business Plan is based on a set of assumptions which, if changed, will have a significant impact on both Revenue and Capital resources which will impact on investment decisions in the Council's Housing stock.

31. Key assumptions underpinning the Business Plan are set out in Appendix 1 and these are included in the risk register.

32. The Business Plan has been stress tested by varying interest rates on borrowing, rent increases beyond April 2025, right to buy sales and the achievement of cost reductions. These indicate :

- Revenue reserves would fall below minimum recommended levels in years 2022-23 to 2027-28 if interest rates on new debt were to increase by ¼% for four years to reach 3.5% in 2022-23

- Revenue reserves would fall below minimum recommended levels in years 2022-23 to 2027-28 if remaining cost reductions of £450k (of the required £1.9m) fail to materialise

- Revenue and capital reserves would be exhausted, with no capacity to borrow, by March 2051 should rent increases be limited to CPI from April 2025 where CPI is 2% in line with Government's long term target.

- Management action to reduce costs would be taken if there is a risk of the above or similar scenarios materialising.

33. Stress testing will continue as the Business Plan is refreshed and new information is received with appropriate adjustments to the Corporate risk register made as appropriate.

Procurement Implications

34. Any procurement arising from the HRA will comply with the Council's Contract Procedure Rules and will be supported by the procurement team

Legal Implications

35. Council, as a Local Housing Authority, must maintain a Housing Revenue Account (HRA) in accordance with s74 of the Local Government & Housing Act 1989 (the "1989 Act"). The HRA must include sums falling to be credited or debited in accordance with the category of properties listed within s74(1) of the 1989 Act, which consists primarily of Council housing stock. The HRA must include any capital expenditure on housing stock which a Local Authority has decided to charge to revenue. Save in accordance with a direction of the Secretary of State, sums may not be transferred between the HRA and the General Fund, therefore the HRA is ring-fenced and cannot be

used to subsidise a budget deficit within the General Fund, neither can the General Fund be used to subsidise a budget deficit in the HRA. Section 76 of the 1989 Act requires Local Authorities to formulate and implement proposals to secure that the HRA for each financial year does not show a debit balance. If a debit occurs, this must be carried forward to the next financial year.

Financial Implications

36. Continuation of the new build programme will require full utilisation of external grants together with external borrowing within required timescales.

37. Although permanent cost reductions of £1.9m on the revenue account are expected to be achieved by 2021 a number of risks need to be monitored with appropriate mitigations applied as required.

38. A key mitigation will be the regular and rigorous review of the financial viability of the Council's HRA as the new build scheme progresses.

Equalities implications / Public Sector Equality Duty

39. Pursuant to Equality Act 2010 ("the Act"), Council, in 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.

40. 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

This report incorporates the following council priorities:

- **Building a Better Harrow**
  Provision of additional housing will support the local community and economy thereby contributing to the wellbeing of residents and supporting community cohesion,

- **Supporting Those Most in Need**
  The additional housing will be genuinely affordable thereby providing accommodation to the most vulnerable in the Borough

- **Protecting Vital Public Services**
  The Business Plan is designed to support the longer term viability of the HRA which provides much needed housing and advice to residents and those at risk of becoming homeless.

- **Delivering a Strong local Economy for All**
  Affordable and high quality housing is in high demand and will support the local economy by providing a stable base for local workers as well as contractors engaged in building and maintaining the new houses.

Section 3 - Statutory Officer Clearance

Name: Tasleem Kazmi Date: 20th September 2019	X	on behalf of Chief Financial Officer
Name: Baljeet Virdee Date: 24th September 2019	x	on behalf of the Monitoring Officer

Section 3 - Procurement Officer Clearance

Name: Nimesh Mehta Date: 17th September 2019	x	Head of Procurement

Name: Paul Walker Date: 30th September 2019	x	Corporate Director

Ward Councillors notified:	**NO, all wards affected** * *Delete as appropriate.*
EqIA carried out: **EqIA cleared by:**	**YES*/ ~~NO*~~** * *Delete as appropriate.*

Section 4 - Contact Details and Background Papers

Contact:
Tasleem Kazmi, Finance Business Partner – Housing & Regeneration,
Tel 020 8416 5201 or email tasleem.kazmi@harrow.gov.uk

Background Papers:
HRA Budget 2019-20 and MTFS 2020-21 to 2021-22

Call-In Waived by the Chair of Overview and Scrutiny Committee	**NO**

Appendix 1 HRA Business plan assumptions

Item	Assumption
Inflation	RPI 2.9%, CPI 2%
Rents and service charges	Non-sheltered : ave rent £113.18, service charge £3.20 Sheltered : ave rent £94.16, service charge £3.65 Total : ave rent £111.25, service charge £3.25 Limit rent £112.44, no penalty payment to Government through RRSL 2019-20 last year statutory rent reduction, 2020-21 onwards CPI + 1%
Facility charges	Increase 3%
Community Halls	Increase 4%
Garage rents	Nil increase
Bad Debt Provision	2019-20 £150k, then £250k
RTB sales	2019-20 onwards 20 disposals p.a.
SSCs	2019-20 £3,384k increased by 2% pa
Depreciation	Dwellings £7.523m, based on audited accounts 2018-19 Non dwellings £238k
Capital investment expenditure	£7.225m first three years then revised in line with stock condition survey and inflation
Repairs	2019-20 £6.5m including £1m voids and £3.5m responsive, inflationary increases
HRA working balance	Set at 7% x gross income given no borrowing capacity on historic debt Revenue account minimum balances not breached.
Borrowing and interest	Historic debt £150.683m at 4.05%, repayments linked to RTB, shared pool with General Fund New debt £83.6m 2.5%, no repayments, No requirement for MRP
External funding	HIF £10m GLA £32.144m

Appendix 2, HRA Revenue account projections

£'000s / Year	Income			Expenditure						Net		
	Net rent Income	Other income	Total Income	Managt.	Depreciation	Responsive & Cyclical	Other Revenue spend	Total expenses	Interest, RCCO, transfer to/from earmarked reserves	Surplus (Deficit) for the Year	Surplus (Deficit) b/fwd	Surplus (Deficit) c/fwd
2019.20	28,377	3,284	31,661	-10,635	-7,762	-7,626	-488	-26,511	-6,165	-1,015	7,474	6,459
2020.21	28,881	3,238	32,119	-10,958	-7,861	-7,870	-106	-26,795	-6,587	-1,263	6,459	5,196
2021.22	30,154	3,343	33,497	-11,177	-8,147	-8,146	-108	-27,577	-7,468	-1,549	5,196	3,648
2022.23	31,816	3,451	35,267	-11,401	-8,463	-8,465	-110	-28,438	-7,711	-883	3,648	2,765
2023.24	33,967	3,563	37,530	-11,629	-8,916	-8,837	-112	-29,494	-8,111	-75	2,765	2,689
2024.25	36,251	3,679	39,931	-11,861	-9,483	-9,163	-114	-30,622	-8,201	1,107	2,689	3,797
2025.26	36,438	3,800	40,238	-12,099	-9,721	-9,416	-117	-31,352	-8,185	700	3,797	4,497
2026.27	37,329	3,925	41,253	-12,341	-9,965	-9,675	-119	-32,100	-8,000	1,154	4,497	5,651
2027.28	38,241	4,054	42,295	-12,587	-10,215	-9,941	-121	-32,865	-7,962	1,468	5,651	7,118
2028.29	39,175	4,187	43,363	-12,839	-10,471	-10,215	-124	-33,649	-7,921	1,793	7,118	8,911
2029.30	40,131	4,326	44,457	-13,096	-10,733	-10,496	-126	-34,452	-7,878	2,128	8,911	11,039
2030.31	41,901	4,470	46,370	-13,358	-11,002	-10,785	-129	-35,274	-7,833	3,263	11,039	14,302
2031.32	42,121	4,618	46,739	-13,625	-11,277	-11,082	-131	-36,116	-7,787	2,837	14,302	17,139
2032.33	43,156	4,772	47,928	-13,897	-11,559	-11,387	-134	-36,978	-7,742	3,209	17,139	20,348
2033.34	44,216	4,932	49,148	-14,175	-11,848	-11,701	-137	-37,861	-7,711	3,576	20,348	23,924
2034.35	45,300	5,097	50,398	-14,459	-12,144	-12,023	-139	-38,765	-7,680	3,953	23,924	27,877
2035.36	47,303	5,269	52,572	-14,748	-12,447	-12,354	-142	-39,691	-7,645	5,237	27,877	33,114
2036.37	47,548	5,446	52,994	-15,043	-12,757	-12,694	-145	-40,639	-7,609	4,746	33,114	37,860
2037.38	48,711	5,630	54,342	-15,344	-13,075	-13,043	-148	-41,610	-7,572	5,160	37,860	43,020
2038.39	49,903	5,821	55,724	-15,651	-13,400	-13,402	-151	-42,604	-7,506	5,614	43,020	48,634
2039.40	51,122	6,019	57,141	-15,964	-13,734	-13,771	-154	-43,622	-7,438	6,080	48,634	54,714
2040.41	52,370	6,223	58,594	-16,283	-14,075	-14,149	-157	-44,665	-7,368	6,560	54,714	61,275
2041.42	54,680	6,436	61,115	-16,609	-14,425	-14,539	-160	-45,733	-7,292	8,090	61,275	69,365
2042.43	54,956	6,655	61,611	-16,941	-14,783	-14,939	-163	-46,826	-7,213	7,571	69,365	76,936
2043.44	56,294	6,883	63,177	-17,280	-15,150	-15,349	-167	-47,946	-7,164	8,067	76,936	85,003
2044.45	57,664	7,120	64,783	-17,625	-15,526	-15,772	-170	-49,093	-7,113	8,578	85,003	93,581
2045.46	59,066	7,364	66,430	-17,978	-15,911	-16,205	-173	-50,267	-7,060	9,103	93,581	102,684
2046.47	60,500	7,618	68,118	-18,337	-16,305	-16,651	-177	-51,470	-7,004	9,645	102,684	112,328
2047.48	63,160	7,881	71,041	-18,704	-16,708	-17,109	-180	-52,702	-10,415	7,925	112,328	120,253
2048.49	63,471	8,154	71,625	-19,078	-17,122	-17,579	-184	-53,963	-7,147	10,515	120,253	130,768

Appendix 3, HRA Capital account projections

Expenditure				Financing						
£'000s / Year	Major Works & Imps	New Build Development	Total Expenditure	Borrowing	RTB 141 Receipts	Other RTB Receipts	Other	MRR	RCCO	Total Financing
2019.20	9,776	30,555	40,331	14,314	98	174	13,006	12,738	0	40,331
2020.21	7,421	33,638	41,058	14,856	0	612	18,465	7,125	0	41,058
2021.22	7,624	41,768	49,392	22,512	1,100	957	17,412	7,411	0	49,392
2022.23	7,833	28,489	36,322	20,663	1,132	851	5,950	7,727	0	36,322
2023.24	7,684	20,492	28,176	11,241	339	669	7,748	8,179	0	28,176
2024.25	7,904	0	7,904	0	0	629	0	7,275	0	7,904
2025.26	8,139	0	8,139	0	0	641	0	7,498	0	8,139
2026.27	8,372	0	8,372	0	0	653	0	7,718	0	8,372
2027.28	8,611	0	8,611	0	0	663	0	7,948	0	8,611
2028.29	8,673	0	8,673	0	0	671	0	8,002	0	8,673
2029.3	9,079	0	9,079	0	0	680	0	8,399	0	9,079
2030.31	9,453	0	9,453	0	0	689	0	8,764	0	9,453
2031.32	10,113	0	10,113	0	0	698	0	9,415	0	10,113
2032.33	10,597	0	10,597	0	0	707	0	9,890	0	10,597
2033.34	14,156	0	14,156	0	0	717	0	13,439	0	14,156
2034.35	14,561	0	14,561	0	0	726	0	13,835	0	14,561
2035.36	14,978	0	14,978	0	0	736	0	14,242	0	14,978
2036.37	15,406	0	15,406	0	0	746	0	14,660	0	15,406
2037.38	15,847	0	15,847	0	0	756	0	15,091	0	15,847
2038.39	10,826	0	10,826	0	0	766	0	10,060	0	10,826
2039.4	11,136	0	11,136	0	0	776	0	10,360	0	11,136
2040.41	11,455	0	11,455	0	0	787	0	10,668	0	11,455
2041.42	11,783	0	11,783	0	0	797	0	10,985	0	11,783
2042.43	12,120	0	12,120	0	0	808	0	11,312	0	12,120
2043.44	18,352	0	18,352	0	0	819	0	17,533	0	18,352
2044.45	18,877	0	18,877	0	0	830	0	18,047	0	18,877
2045.46	19,418	0	19,418	0	0	841	0	18,576	0	19,418
2046.47	19,973	0	19,973	0	0	853	0	19,120	0	19,973
2047.48	20,545	0	20,545	0	0	865	0	16,207	3,473	20,545
2048.49	17,546	0	17,546	0	0	876	0	16,385	285	17,546