

## HOUSING REVENUE ACCOUNT

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# Housing Revenue Account (HRA)

## Introduction

This Annex sets out the detail for both the revenue and capital elements of the HRA.

The HRA is the Council's landlord account, which provides for the management and maintenance of the Council's stock of c27,200 dwellings. Legislation requires this account to be ring-fenced from the Council's other financial transactions. The budget has been set under the HRA self-financing system introduced from 2012/13, whereby the HRA is sustained from the rental income.

The HRA has to be kept in balance, achieved through raising sufficient income from tenant rents to fund the investment needed to maintain the stock. A working balance is also needed to deal with emerging pressures. Any balance on the account, either positive or negative, has to be carried forward to the following year. This means, for example, that the 2013/14 outturn will impact on the 2014/15 budget through the balance carried forward.

Nottingham City Homes Limited (NCH) is responsible for the management of the housing stock under a partnering agreement with the Council completed in 2011, for which a management fee is paid to cover some of the services provided. This fee from the Council is a charge on the HRA. NCH is also responsible, under a separate contract that started in July 2008, for repairs to the stock through a series of budgets delegated to it from the Council.

The City Council published its 30 year HRA plan (2012 – 2042) in November 2012. It underpins the long term approach to service planning for the HRA demonstrating how investment in the housing stock will be sustained. The 30 year business plan has been updated to take account of movements in the financial assumptions, demonstrating that the **HRA has sufficient resources over the life of the business plan**. The key assumptions in the business plan are:

- Rent rises each year at above RPI over the life of the plan reflecting Government policy for social rents
- Average Inflation at 2.5% per annum over the business plan
- The cost of borrowing will increase over the medium term to a long term average rate of 5%
- Total investment in the housing stock of £2.0bn over 30 years

The key headlines in the HRA budget for 2014/15 are as follows:

### **HRA Revenue**

- A proposed average increase in rent levels of **7.5%**
- The agreement in principal to the introduction of a tenant incentive scheme worth up to £100 per annum to each tenant
- An increase in service charges of **3.2%**
- A sustainable working balance of **£4m**.

## HRA Capital

- An overall Public Sector Housing Programme of **£296.704m** of which **£77.080m** relates to 2014/15.
- **£22.682m** has been specifically allocated to decommissioning, regeneration and new build.

## HRA Forecast Outturn 2013/14

**Table 1** summarises the HRA budget and forecast outturn for 2013/14. **Annex 1** provides further details of the variances and the reasons for them.

<b>TABLE 1: HRA FORECAST OUTTURN 2013/14</b>			
<b>DESCRIPTION</b>	<b>ORIGINAL BUDGET £m</b>	<b>ESTIMATED OUTTURN £m</b>	<b>VARIANCE £m</b>
<b>INCOME</b>			
Rent income	(93.583)	(92.883)	0.700
Service charges	(3.753)	(3.753)	0.000
Other rent (inc. garages)	(1.175)	(1.947)	(0.772)
Other income	(0.083)	(0.318)	(0.235)
<b>TOTAL INCOME</b>	<b>(98.594)</b>	<b>(98.901)</b>	<b>(0.307)</b>
<b>EXPENDITURE</b>			
Repairs	19.815	18.900	(0.915)
Management	34.625	34.414	(0.211)
Capital charges	38.790	39.903	1.113
Direct Revenue Financing	6.547	6.667	0.120
<b>TOTAL EXPENDITURE</b>	<b>99.777</b>	<b>99.884</b>	<b>0.107</b>
<b>DEFICIT / (SURPLUS)</b>	<b>1.183</b>	<b>0.983</b>	<b>(0.200)</b>
Working balance B/F	(5.183)	(5.028)	0.155
<b>WORKING BALANCE C/F</b>	<b>(4.000)</b>	<b>(4.045)</b>	<b>(0.045)</b>

The budget for 2014/15 has been refreshed to take account of proposed increases in charges, income adjustments, inflation, cost pressures, capital financing costs and changes to assumptions. The financial impact of this refresh is shown in **Table 2**.

## HRA Budget Refresh 2014/15

<b>TABLE 2: HRA BUDGET REFRESH SUMMARY</b>	
<b>DESCRIPTION</b>	<b>£m</b>
Increased income	(6.325)
Tenant reward scheme	2.700
Inflation	1.306
Cost pressures	0.981
Capital financing costs	2.476
<b>MOVEMENT IN WORKING BALANCE</b>	<b>1.138</b>

**Table 3** summarises increased income and is subject to approval as part of this report.

<b>TABLE 3 – INCREASED INCOME 2014/15</b>	
<b>DESCRIPTION</b>	<b>£m</b>
Rent	(5.904)
Other income	(0.316)
Service charges	(0.084)
Independent living charges	(0.007)
Heating charges	(0.001)
Garage rents	(0.013)
<b>TOTAL</b>	<b>(6.325)</b>

### Rent

The Government introduced a convergence policy to align the rents of local authorities with those of housing associations. The intended convergence was to be achieved in 2015/16. The rents were calculated based on key factors such as the number of bedrooms and the 1999 property valuation. Rent increases were then based on the RPI increase calculated each September. The City Council took the decision to extend the period to achieve rent convergence to 2019/20 to protect tenants from high rent increases in recent years when the rate of inflation (RPI) was high.

The Government has recently consulted on a change to national rent policy as follows:

- The policy to be applied for 10 years from April 2015
- Individual rents to increase at CPI + 1%
- No changes to the calculation of formula rents
- Individual rents could be up to 5% above formula rent
- Expectation that new tenancies will be moved to target rent
- Government policy to be applied through guidance, not regulation
- Government to continue to exercise control through the limit rent

The local rent policy introduced in 2012 to achieve rent convergence by 2019/20 would have led to a rent increase of 5.48% being proposed for 2014/15. Given the proposed changes to rent policy being consulted on by the Government consultation has been undertaken in January and February to look at an alternative approach which could avoid higher rent increases in the short term whilst protecting tenants from a significant rent increase this year.

The preferred option to the 5.48% consulted upon for 2014/15 is for a flat rate increase of 7.5%. In order to mitigate the impact of this rise it is proposed to introduce a tenant reward scheme that would reward responsible tenants with £100 per annum credited to their rent account. This would have the effect of making the average rent increase for these tenants 4.68% as shown in **Table 4**.

<b>TABLE 4 – PROPOSED WEEKLY RENT INCREASE 2014/15</b>		
<b>DESCRIPTION</b>	<b>Qualify for max. tenant reward £</b>	<b>Don't qualify for tenant reward £</b>
Average rent 2013/14	68.16	68.16
Gross increase in rent	5.11	5.11
<b>Rent 2014/15</b>	<b>73.27</b>	<b>73.27</b>
Less tenant reward scheme	(1.92)	-
<b>Adjusted for tenant reward scheme</b>	<b>71.35</b>	<b>73.20</b>
<b>Percentage increase</b>	<b>4.68%</b>	<b>7.50%</b>

The HRA business plan has used these assumptions in determining that the HRA Asset Management Plan (AMP) is affordable over the 30 year period. Applying the proposed rent increase will generate additional income of **5.904m** per annum.

The Government exercises control over local rents by charging the Council for the housing benefit costs where the average rent has exceeded the limit rent (every £1 rent charged above limit rent requires £0.66 of the increase to be paid back to Government to pay for the increased cost of Housing Benefit). The limit rent for Nottingham in 2014/15 is £75.47 per week and will be increased by CPI +1% per annum for the next 10 years if the Government goes ahead with the planned changes to rent policy. The proposed rent of £73.20 gives headroom of £2.27 per week, allowing some flexibility to manage the HRA in the future. A further **£3.146m** per annum could be generated if rents were raised to the limit rent. The HRA business plan assumes that the rent will move towards limit rent over the medium term.

#### Service Charges

**Table 5** lists the range of services provided to specific groups of tenants. A specific charge is made and increases in line with the September RPI would raise charges by **3.2%**, which is in line with the average increase in council house rents. Applying the revised rates would produce additional annual income of **£0.084m**.

<b>TABLE 5 : WEEKLY SERVICE CHARGES</b>			
<b>SERVICE</b>	<b>CURRENT 2013/14 £</b>	<b>PROPOSED 2014/15 £</b>	<b>INCREASE £</b>
Caretaking	4.92	5.08	0.16
Cleaning Service	2.89	2.98	0.09
Communal lighting	0.51	0.53	0.02
Communal TV system	0.86	0.89	0.03
Gas maintenance	1.16	1.20	0.04
Solid fuel maintenance	1.16	1.20	0.04
Homewatch	0.49	0.51	0.02
Security (CCTV)	5.13	5.29	0.16
Sheltered Accommodation : Services	3.06	3.16	0.10

### Independent Living Charges

These activities are aimed at providing for the non-housing costs that are necessary to support tenants in remaining in their own independent accommodation. **Table 6** shows the existing charges and it is proposed that the Independent Living and emergency alarm charges are increased by **3.2%** in line with the September RPI. Applying the revised rates would produce additional annual income of **£0.007m**.

<b>TABLE 6: INDEPENDENT LIVING CHARGES</b>			
<b>CHARGE</b>	<b>WEEKLY CHARGE 2013/14 £</b>	<b>PROPOSED CHARGE 2014/15 £</b>	<b>INCREASE £</b>
Independent Living	9.65	9.96	0.31
Emergency Alarm	2.36	2.44	0.08

### Heating Charges

Stepney Court and Foxtan Gardens are the only homes served with a communal heating scheme. Charges are recommended to be increased by **3.2%** in line with other recommended service charge increases. This will generate additional income of **£1k** and has been allowed for in the budget. Details are set out in **Table 7**.

<b>TABLE 7: HEATING CHARGES</b>			
<b>TYPE</b>	<b>WEEKLY CHARGE 2013/14 £</b>	<b>PROPOSED CHARGE 2014/15 £</b>	<b>INCREASE £</b>
<b>STEPNEY COURT</b>			
One bed	7.70	7.95	0.25
Two bed	8.50	8.77	0.27
<b>FOXTON GARDENS</b>			
One bed	13.78	14.22	0.44
Two bed	18.71	19.31	0.60

### Garage Rents

Garages not included as part of the rent of a dwelling are currently charged at an average £8.09 per week. It is proposed to increase this by **£0.25** per week (average **3.2%**), generating additional annual income of **£13k**. For garage tenants who do not hold a house tenancy or are a leaseholder, VAT is added to the rent charge.

### Other income

The income generated by the PV cells has exceeded the original budget by **£0.316m** as the performance of the cells has been better than anticipated.

### Tenant reward scheme

The City Council and NCH have worked together to look at ways in which to balance managing the impact of the rent increase with continuing to make sure homes are maintained to a high standard and to reward the many responsible tenants. The

scheme will give all responsible tenants a £100 credit on their rent account thereby reducing the effect of the rent increase to 4.68% (ie below the planned increase of 5.48%) in 2014/15. The details of how the scheme will be operated will be subject to further consultation with a view to ensuring that credits will be made to the rent accounts of responsible tenants in November / December 2014.

The initial work undertaken on the principals of such a scheme proposes that tenants will not qualify for the reward scheme if they:-

- Fail to look after their garden
- Fail to make arrangements to pay their rent arrears
- Commit crime and anti-social behaviour

The cost of the scheme will be mitigated to some extent by savings generated from the changes in behaviour. No savings have been included in the MTFP and the full cost of the scheme has been included at this stage of **£2.700m** per annum. The scheme will be in place for at least three years and will be continuously reviewed to ensure that the scheme is effective.

The introduction of such a scheme was considered at a Tenant and Leaseholder Congress in February 2014. The outcome from the meeting was as follows:-

- Generally supportive of the principles of a tenant reward scheme and believe that incentives could encourage changes in behaviour of tenants who don't currently act responsibly
- Details of the criteria relating to the reward scheme need to be worked up sensitively so that people are not unfairly excluded
- Support mechanisms need to be in place to help tenants become responsible tenants

**Table 8** shows the inflation factors assumed for 2014/15 based on best current intelligence.

<b>TABLE 8: INFLATION FACTORS FOR 2014/15</b>		
<b>DESCRIPTION</b>	<b>%</b>	<b>IMPACT £m</b>
Pay award	1.0	0.017
Inflation - Housing Repairs	2.7	0.457
Inflation – General	2.1	0.129
NCH Management fee	2.5	0.703
<b>TOTAL</b>		<b>1.306</b>

#### Pay award

The estimate is in line with General Fund assumption for the pay award of 1%.

#### Inflation

Inflation has been applied to the Housing Repairs budget applying the latest RPI-X percentage (December 2013). All other budgets have had inflation applied using the GDP deflator (Autumn Statement 2013).

### NCH Management fee

The fee is based on negotiations between the City Council and NCH colleagues and is in line with the existing MTFP assumption. In setting the fee it is recognised that NCH will deliver efficiencies to manage the following budget pressures:

- Costs associated with welfare reform;
- Increased pension contributions;
- Additional utility cost inflation;
- Accommodation charges associated with new Joint Service Centres.

**Table 9** shows the cost pressures impacting on the HRA due to reducing housing stock (right to buy, decommissioning and demolitions), joint working initiatives, the current economic climate and the impact that welfare reform has had to date.

<b>TABLE 9: COST PRESSURES FOR 2014/15</b>	
<b>DESCRIPTION</b>	<b>Impact £m</b>
Bad debt provision	0.200
Joint working / cost saving initiatives	0.500
Reduction in stock numbers	0.281
<b>TOTAL</b>	<b>0.981</b>

### Bad debt provision

The bad debt provision was increased in 2013/14 due to the announced introduction of universal credit. Part of the reforms will pay housing benefit direct to the tenant monthly in arrears (currently housing benefit is received directly by the landlord) so collecting rent will be harder in future years. The new system is currently being piloted in a small number of areas across the country. Early evidence suggests that arrears increased threefold. The implementation has been delayed until at least 2015 such that the provision will be doubled for the three years from 2015 – 2018 to give time to assess the impact and develop a robust future strategy.

The bad debt provision has been increased by £0.200m per annum to reflect the impact on collection rates of under occupation benefit reforms (“bedroom tax”).

The HRA balance has already been increased to £4.000m and will be retained at this level to manage the pressure and uncertainty on the HRA. It is assumed for the MTFP that progress will be made over time to reduce the impact of the changes on the HRA. The City Council and NCH continue to lobby the Government on the foreseen negative impact of the proposed changes but have to plan for the potential impact of the changes.

### Joint working / cost saving initiatives

The City Council and NCH has embarked on a review of services to be delivered in partnership to deliver General Fund savings whilst ensuring that the HRA is charged a proportionate share of the costs.



It is proposed elsewhere in this report that the City Council will require NCH to return a proportion of any surplus generated from trading activity (£0.750m in 2014/15). This proposal has no direct impact upon the HRA.

#### Reducing housing stock

The HRA stock at 1 April 2013 was 27,326 (excluding decommissioned properties). The stock has reduced in year by an estimated 111 properties as a result of right to buy sales and demolitions offset by new build. The net reduction in income to the HRA is estimated to be £0.281m per annum.

The introduction of self-financing of the HRA requires the HRA to generate sufficient resources to finance the capital investment to maintain the existing housing stock and tenant priorities. The 30 year Business Plan requires additional resources to be generated each year to finance this investment as reflected in **Table 10**.

<b>TABLE 10: CAPITAL FINANCING COSTS</b>	
<b>DESCRIPTION</b>	<b>IMPACT £m</b>
Capital charges	0.131
Depreciation	2.920
Direct Revenue Financing	(0.575)
<b>TOTAL</b>	<b>2.476</b>

#### Capital charges

The HRA is currently benefiting from the historically low short term interest rates, so the estimated average rate to be applied in 2014/15 is **4.17%** (reduced from 4.26%). This saving is more than offset due to £18.9m of fixed term borrowing being taken to support the new build programme, increasing borrowing costs by £0.131m in 2014/15. This removes an element of the interest rate risk from the business case for the new build programme. The HRA is expected to benefit from this reduction over the life of the MTFP but long term average interest rates of between 4.46% and 5% are still expected to be valid for the HRA business plan.

#### Depreciation

With the introduction of HRA Self Financing, the charge for depreciation is based upon component accounting. The sum that accumulates in the Major Repairs Reserve is only available for investment in major repairs of the stock and cannot be used to support the overall rent level. The value of the depreciation provision in 2014/15 budget is £29.001m; an increase of £2.920m on 2013/14 due to the new requirement to depreciate non-housing HRA assets. The effect of this is to increase the resources for capital investment, partially offset by a reduction in direct revenue financing.

#### Direct Revenue Funding

To ensure full funding of the Housing Investment Programme direct revenue financing of £5.972m has been made, a reduction of £0.575m offset by the increase in the depreciation charge.

### HRA Working Balance

Under HRA self-financing the Council will take on new risks arising from the HRA now being dependent upon rental income to sustain future investment in the housing stock. The working balance acts as a contingency to cover for unexpected significant expenditure or unplanned major additional expenditure. Given the economic climate and uncertainty over the impact of welfare reform it is prudent to retain the increased HRA working balance at **£4.000m**. The overall balance remains within the parameters set out in the MTFs.

## **HRA BUDGET 2014/15**

**Table 11** shows the summary of the overall impact on the HRA budget for 2014/15.

<b>TABLE 11: HRA BUDGET 2014/15</b>			
<b>DESCRIPTION</b>	<b>2013/14 BUDGET £m</b>	<b>MOVEMENT £m</b>	<b>2014/15 BUDGET £m</b>
Rent and other income	(94.841)	(6.415)	(101.256)
Service charges	(3.753)	(0.585)	(4.338)
<b>TOTAL INCOME</b>	<b>(98.594)</b>	<b>(7.000)</b>	<b>(105.594)</b>
<b>EXPENDITURE</b>			
Repairs *	19.815	6.989	26.804
Management *	34.625	(3.603)	31.022
Capital charges	38.790	3.051	41.841
Direct Revenue Financing	6.547	(0.575)	5.972
<b>TOTAL EXPENDITURE</b>	<b>99.777</b>	<b>5.862</b>	<b>105.639</b>
<b>Deficit / (Surplus)</b>	<b>1.183</b>	<b>(1.138)</b>	<b>0.045</b>

\* An adjustment has been made in the 2014/15 budget to reduce the NCH management fee by £6.726m and increase the repairs budget by the same amount to. This is to properly classify expenditure paid to NCH in the management fee that is should properly be classified as repairs.

The HRA MTFP 3 year projections have been updated to reflect the above changes. **Appendix A** shows the HRA MTFP for 2014/15 to 2016/17. The future years' projections are based on information currently available but subject to ongoing review. Projections for 2015/16 and 2016/17 incorporate the following assumptions:

- The inflation indicators are consistent with those used throughout the entire MTFP.
- Rent income allows for continuing stock reductions from Right to Buy (RTB) and decommissioning of property.
- Rent levels have been assumed to increase in accordance with the proposed Government policy (CPI +1%).
- Financing costs take account of the level of debt assumed from the self-financing settlement. The interest charges will be met in full from the HRA.
- Depreciation charges are based on data provided by NCH on asset life spans and replacement costs.

## PUBLIC SECTOR HOUSING CAPITAL PROGRAMME

### Context

HRA capital expenditure is financed from resources generated from rental income to directly finance capital expenditure or fund prudential borrowing subject to the debt cap limit for the HRA. The HRA 30 year Business Plan has been refreshed to incorporate the self-financing changes and updated AMP. The proposed capital programme is affordable over the life of the business plan.

### The Programme

The Public Sector Housing Capital Programme sets out the five year investment in the housing stock. Management of the stock was transferred to NCH under a management agreement but the Council retains ownership. The allocation of these funds to individual schemes is agreed between the Council and NCH. **Table 12** shows the level of investment to 2018/19 against the existing capital programme approved to 2015/16.

<b>TABLE 12: PUBLIC SECTOR HOUSING CAPITAL PROGRAMME</b>							
<b>PROGRAMME MOVEMENT</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Existing programme	63.813	77.828	45.338	0.000	0.000	0.000	186.979
New/amended schemes	(3.098)	(0.748)	2.731	34.545	37.691	38.604	109.725
<b>TOTAL PROGRAMME</b>	<b>60.715</b>	<b>77.080</b>	<b>48.069</b>	<b>34.545</b>	<b>37.691</b>	<b>38.604</b>	<b>296.704</b>

The detailed programme is shown in **Appendix B** and is based on existing approved commitments, new projects and amendments to existing schemes. **Appendix C** sets out those new/amended schemes recommended for inclusion within the programme.

The Public Sector Housing capital programme supports delivery of the Transforming Nottingham's Neighbourhoods priorities within the Housing Nottingham Plan and Council Plan, supporting delivery of the following key themes:

- The standard of existing homes – ensuring existing housing stock remains well maintained, well managed and energy efficient
- The supply of new homes – maximising funding to deliver new homes across all tenures
- Meeting specialist housing need – supporting vulnerable groups by prioritising and using prevention and early intervention measures to the full

The programme takes account of the NCH AMP, known commitments from schemes in progress, health and safety issues and other service investment needs. Overall, the programme has been financed within available financial resources during the period. **Table 13** shows the summary resources identified to support the programme.

<b>TABLE 13: CAPITAL PROGRAMME &amp; RESOURCES</b>							
<b>ELEMENT</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
<b>TOTAL INVESTMENT</b>	<b>60.715</b>	<b>77.080</b>	<b>48.069</b>	<b>34.545</b>	<b>37.691</b>	<b>38.604</b>	<b>296.704</b>
<b>RESOURCES</b>							
Capital Resources	49.096	68.093	39.424	26.254	29.615	30.285	<b>242.767</b>
Capital Receipts	4.952	3.015	2.460	0.450	0.000	0.000	<b>10.877</b>
Direct Revenue Financing	6.667	5.972	6.185	7.841	8.076	8.319	<b>43.060</b>
<b>TOTAL RESOURCES</b>	<b>60.715</b>	<b>77.080</b>	<b>48.069</b>	<b>34.545</b>	<b>37.691</b>	<b>38.604</b>	<b>296.704</b>

The financing of the capital programme is shown in **Appendix D**. The summary HRA capital programme for 2014/15 is shown in **Table 14**.

<b>TABLE 14: 2014/15 SUMMARY CAPITAL PROGRAMME</b>	
<b>DESCRIPTION</b>	<b>£m</b>
Meeting the Nottingham Decent Homes Standard	26.634
Decommissioning demolition and regeneration	22.682
Additional tenant priorities:	
- City wide energy efficiency	10.710
- Additional improvements	17.054
<b>TOTAL</b>	<b>77.080</b>

#### Decent Homes Funding

The establishment of the national Homes and Community Agency (HCA) in December 2008 brought the responsibility for overseeing an integrated approach to housing and regeneration. This includes the delivery of the *Decent Homes* Programme, intended to bring all social rented housing up to defined minimum standards. The Council is required to fund the cost of making 10% of the stock decent from their own resources as demonstrated in **Table 15**.

<b>TABLE 15 : DECENT HOMES FUNDING &amp; SPEND</b>					
<b>DESCRIPTION</b>	<b>2011/12 £m</b>	<b>2012/13 £m</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>TOTAL £m</b>
Decent Homes spend *	31.554	23.355	33.703	29.134	117.746
Decent Homes Grant	23.007	21.550	28.270	13.301	86.128
<b>COUNCIL INVESTMENT</b>	<b>8.547</b>	<b>1.805</b>	<b>4.433</b>	<b>15.833</b>	<b>31.618</b>

\* The Decent homes spend in 2013/14 and 2014/15 includes the tenant priority scheme for City wide door programmes of £2.500m per annum eligible for decent homes funding.

### Right to Buy (RTB) Receipts

**Table 16** shows the updated assumptions for receipts from the RTB scheme after applying the pooling requirement and costs of disposal.

<b>TABLE 16 : PROJECTED RTB RECEIPTS</b>							
<b>PROJECTION</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
RTB sales	1.125	1.140	1.130	0.870	0.870	0.870	6.005
Retained RTB sales	1.752	1.000	0.500	0.250	0.000	0.000	3.502
<b>Total</b>	<b>2.877</b>	<b>2.140</b>	<b>1.630</b>	<b>1.120</b>	<b>0.870</b>	<b>0.870</b>	<b>9.507</b>
<b>HRA USE</b>	<b>1.752</b>	<b>1.000</b>	<b>0.500</b>	<b>0.250</b>	<b>0.000</b>	<b>0.000</b>	<b>3.502</b>

Currently RTB receipts are used to support the private sector housing programme in the 'All Other Services' programme in the General Fund.

From 1 April 2012, DCLG introduced changes to the treatment of capital receipts under the RTB. The changes require a proportion of the receipt to be used to repay housing debt. The requirement to pay over to the DCLG 75% of RTB sales receipts remains, but this has been modified to take account of the need to reduce the level of debt. Overall the stated national policy is to use part of the receipts in future to provide replacement homes for those sold under the RTB. These additional retained RTB sales will be used to support the new build programme within the HRA.

### HRA Other Capital Receipts

HRA capital receipts (other than RTB receipts) up to the values stated can be treated as 100% usable and not subject to pooling. The receipts may be used to finance any capital expenditure. Previously approved City Council policy on the allocation of capital receipts will require these sums (i.e. **£7.375m**) to be used for Public Sector Housing.

Executive Board approved the disposal of non-purpose built council houses (known as 'corporates') on 20 October 2009. **Table 17** shows the remaining profile of receipts from the project.

<b>TABLE 17: SALE OF CORPORATES &amp; OTHER HRA LAND</b>							
<b>PROJECTION</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Original Projection	1.120	2.015	1.960	0.000	0.000	0.000	5.095
(Reduction)/ Increase	1.880	(0.200)	(0.200)	0.000	0.000	0.000	1.480
<b>Revised Corporates</b>	<b>3.000</b>	<b>1.815</b>	<b>1.760</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>6.575</b>
Other Housing Land Sales	0.200	0.200	0.200	0.200	0.000	0.000	0.800
<b>Revised Projection</b>	<b>3.200</b>	<b>2.015</b>	<b>1.960</b>	<b>0.200</b>	<b>0.000</b>	<b>0.000</b>	<b>7.375</b>

### Capital Allowance

Under existing regulations the need to pool receipts generated by the disposal of other HRA (i.e. Non RTB receipts) assets can be removed in certain circumstances. This requires the establishment of a capital allowance relating to works to be undertaken meeting specified criteria, including the provision of affordable social housing and regeneration schemes. **Table 18** shows the capital expenditure on Decent Homes and new build of social housing which qualify for capital allowance.

<b>TABLE 18: CAPITAL ALLOWANCE CALCULATION</b>							
<b>DESCRIPTION</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Decent Homes	31.203	26.634	19.265	16.082	18.671	14.164	<b>126.019</b>
New Build	13.979	22.682	14.609	3.818	7.430	14.600	<b>77.118</b>
<b>TOTAL</b>	<b>45.182</b>	<b>49.316</b>	<b>33.874</b>	<b>19.900</b>	<b>26.101</b>	<b>28.764</b>	<b>203.137</b>

### HRA debt cap

The HRA has headroom within the amount of debt that it can sustain from the rental streams enabling the sound financial management of the capital investment programme over the 30 year plan and to enable investment in new social housing as shown in **Table 19**. The repayment in year is the repayment of the principal associated with the HRA share of annuity loans, thereby reducing the Capital Financing Requirement (CFR) in year:-

<b>TABLE 19: HRA DEBT POSITION</b>	
<b>DESCRIPTION</b>	<b>£m</b>
HRA CFR at 1 April 2013	283.304
Less debt planned to be repaid in year	(1.005)
HRA CFR at 1 April 2014	282.299
<b>Debt cap</b>	<b>319.748</b>
<b>Estimated headroom at 1 April 2014</b>	<b>37.449</b>

The Housing Business Plan assumes the use of the headroom over the life of the plan primarily to support investment in new social housing. Additional borrowing can be taken up to the cap subject to affordability. Currently the business plan is in balance such that any additional borrowing would need to generate sufficient revenue resources to fund the repayment of the borrowing and interest.

## APPENDIX A

<b>HRA – MEDIUM TERM FINANCIAL PLAN</b>			
<b>DESCRIPTION</b>	<b>BUDGET 2014/15 £m</b>	<b>BUDGET 2015/16 £m</b>	<b>BUDGET 2016/17 £m</b>
<b>INCOME</b>			
Rental Income	(101.463)	(104.507)	(107.642)
Service charges	(4.338)	(4.468)	(4.602)
Other rents (inc garage)	(2.168)	(2.168)	(2.168)
Mortgage Interest (RTB)	(0.011)	(0.010)	(0.010)
Bank Interest	(0.077)	(0.025)	(0.025)
Other income	(0.002)	(0.002)	(0.002)
<b>TOTAL INCOME</b>	<b>(108.059)</b>	<b>(111.180)</b>	<b>(114.449)</b>
<b>WORKING BALANCE B/F</b>	<b>(4.045)</b>	<b>(4.000)</b>	<b>(4.000)</b>
<b>TOTAL</b>	<b>(112.104)</b>	<b>(115.180)</b>	<b>(118.449)</b>
<b>EXPENDITURE</b>			
Establishment:			
NCH Management Fee	22.014	22.724	23.469
Tenant incentive scheme	2.700	2.700	2.700
Repairs to Dwellings	26.804	27.726	28.356
Public Realm	2.728	2.796	2.866
Housing Direct Service Areas:			
Strategy and Regeneration	2.222	2.278	2.334
CCTV	1.358	1.391	1.427
Charges for Capital:			
Capital Charges	12.840	12.840	12.840
Provision for Depreciation	29.001	29.001	29.001
Direct Revenue Financing	5.972	6.185	7.841
Provision for Bad Debts	2.465	3.539	3.615
<b>TOTAL EXPENDITURE</b>	<b>108.104</b>	<b>111.180</b>	<b>114.449</b>
<b>WORKING BALANCE C/F</b>	<b>4.000</b>	<b>4.000</b>	<b>4.000</b>
<b>TOTAL</b>	<b>112.104</b>	<b>115.180</b>	<b>118.449</b>

**APPENDIX B**

**CAPITAL PROGRAMME BY SCHEME 2013/14– 2018/19**

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
<b><u>Meeting the Nottingham Decent Homes Standard</u></b>							
<b><u>Safe</u></b>							
City Wide CCTV / Door Entry Imp	0.130	0.160	0.060	0.060	0.100	0.100	0.610
Fire Alarm Installations	0.180	0.100	0.100	0.100	0.100	0.100	0.680
Replacement Care Alarms	0.015	0.015	0.015	0.015	0.015	0.015	0.090
Asbestos Works	1.300	1.690	1.100	1.100	0.969	0.000	6.158
Smoke Alarms - External	0.323	0.000	0.000	0.000	0.000	0.000	0.323
Smoke Alarms - DLO	0.315	0.000	0.000	0.000	0.000	0.000	0.315
TV Aerials	0.018	0.000	0.000	0.000	0.000	0.000	0.018
Lift Replacement Programme - Lakehead House	0.082	0.000	0.000	0.000	0.000	0.000	0.082
Lift Replacement Programme	0.453	1.057	2.250	0.900	1.080	0.349	6.089
Radon Awareness	0.000	0.195	0.000	0.000	0.000	0.000	0.195
Periodics and Subsequent Work	0.300	0.000	0.000	0.000	0.000	0.000	0.300
Water Hygiene- Pump Upgrades	0.140	0.070	0.000	0.000	0.000	0.000	0.210
High Rise Sprinkler Systems	0.250	0.250	0.250	0.250	0.250	0.000	1.250
Victoria Centre Fire Equipment	0.250	0.000	0.000	0.000	0.000	0.000	0.250
Window Restrictor Programme	0.090	0.090	0.000	0.000	0.000	0.000	0.180
Structural Surveys & Rectification Works	0.000	0.000	0.100	0.100	0.100	0.100	0.400
	<b>3.846</b>	<b>3.627</b>	<b>3.875</b>	<b>2.525</b>	<b>2.614</b>	<b>0.664</b>	<b>17.151</b>
<b><u>Secure Warm &amp; Modern</u></b>							
Nottingham Secure	4.250	2.730	0.000	0.000	0.000	0.000	6.980
Modern Living	18.150	8.320	0.000	0.000	0.000	0.000	26.470
Warmth for Nottingham	1.200	1.450	0.000	0.000	0.000	0.000	2.650



<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Warmth for Nottingham - DLO	1.500	1.500	0.000	0.000	0.000	0.000	3.000
Roof & Chimney Replacement	0.000	6.500	0.000	0.000	0.000	0.000	6.500
Externals	0.000	0.500	0.000	0.000	0.000	0.000	0.500
Management Fee	1.907	1.907	0.000	0.000	0.000	0.000	3.814
Structural Surveys & Rectification Works	0.350	0.100	0.000	0.000	0.000	0.000	0.450
Maintaining Decency	0.000	0.000	15.390	13.557	16.057	13.500	58.504
	<b>27.357</b>	<b>23.007</b>	<b>15.390</b>	<b>13.557</b>	<b>16.057</b>	<b>13.500</b>	<b>108.868</b>
<b><u>Additional Tenant Priorities</u></b>							
<b><u>City Wide Door Programme</u></b>							
Composite Doors City Wide	2.500	2.500	2.000	2.000	0.500	0.000	9.500
	<b>2.500</b>	<b>2.500</b>	<b>2.000</b>	<b>2.000</b>	<b>0.500</b>	<b>0.000</b>	<b>9.500</b>
<b><u>Energy Efficiency &amp; Tackling Fuel Poverty</u></b>							
No Fines/ Solid Wall Insulation Schemes	1.000	4.400	4.000	3.600	3.000	2.000	18.000
BISF Upgrades/ External Wall Insulation	0.000	2.100	0.000	0.000	0.000	0.000	2.100
LED Communal Lighting	0.250	0.250	0.250	0.250	0.250	0.250	1.500
Sneinton District Heating - BMK'S	0.040	2.960	0.000	0.000	0.000	0.000	3.000
Woodthorpe & Winchester - CHP	0.000	1.000	0.000	0.000	0.000	0.000	1.000
	<b>1.290</b>	<b>10.710</b>	<b>4.250</b>	<b>3.850</b>	<b>3.250</b>	<b>2.250</b>	<b>25.600</b>
<b><u>Modernising Housing For Older People</u></b>							
Independent living Re-design	0.734	0.750	0.500	0.500	0.500	0.500	3.484
Independent Living Re-Designation	0.025	0.000	0.000	0.000	0.000	0.000	0.025
Benedict Court Major Alterations	0.000	0.280	0.000	0.000	0.000	0.000	0.280
Carnforth Court Major Alterations	0.000	0.224	0.000	0.000	0.000	0.000	0.224
Independent Living - DDA Works	1.077	0.623	0.000	0.000	0.000	0.000	1.700
Independent Living Minor Works	0.154	0.000	0.000	0.000	0.000	0.000	0.154

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Mobile Scooter Stores	0.100	0.900	0.250	0.250	0.250	0.000	1.750
	<b>2.089</b>	<b>2.777</b>	<b>0.750</b>	<b>0.750</b>	<b>0.750</b>	<b>0.500</b>	<b>7.616</b>
<b><u>Area Environmental Improvements</u></b>							
Top Valley Environmentals - New Phase	0.858	0.000	0.000	0.000	0.000	0.000	0.858
City Wide Environmentals - 2012-2013	0.730	0.266	0.000	0.000	0.000	0.000	0.996
City Wide Environmentals - Area Capital Fund	0.000	1.000	1.000	1.000	1.000	1.000	5.000
Estate/Area Impact works	0.000	1.000	0.500	0.500	0.500	0.500	3.000
Minor Paving Works	0.050	0.000	0.000	0.000	0.000	0.000	0.050
Paving Works - Area Committee Schemes	0.443	0.360	0.360	0.360	0.360	0.360	2.243
Garage / Outbuildings - Citywide	0.020	0.218	0.200	0.200	0.200	0.200	1.038
	<b>2.101</b>	<b>2.844</b>	<b>2.060</b>	<b>2.060</b>	<b>2.060</b>	<b>2.060</b>	<b>13.185</b>
<b><u>Existing Stock Investment</u></b>							
Major Void Works - DLO	2.379	2.350	2.150	2.000	2.000	2.000	12.879
Timber To PVCu Windows	0.000	0.000	0.000	1.000	1.000	1.000	3.000
Victoria Centre Roof	0.150	2.278	0.000	0.000	0.000	0.000	2.428
Air Con Replacement	0.000	0.000	0.020	0.020	0.000	0.000	0.040
High Rise Window Replacement	0.000	0.000	0.800	0.800	0.000	0.000	1.600
	<b>2.529</b>	<b>4.628</b>	<b>2.970</b>	<b>3.820</b>	<b>3.000</b>	<b>3.000</b>	<b>19.947</b>
<b><u>Decommissioning Regeneration &amp; New Build</u></b>							
<b><u>City Wide Demolition &amp; Regeneration</u></b>							
Highurst Court	0.218	0.000	0.000	0.000	0.000	0.000	0.218
Clifford Court	0.188	0.000	0.000	0.000	0.000	0.000	0.188
Highurst Court	0.317	0.000	0.000	0.000	0.000	0.000	0.317
Clifford Court	0.668	0.000	0.000	0.000	0.000	0.000	0.668
Radford New Build	1.650	3.987	0.000	0.000	0.000	0.000	5.637

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Lenton Court	0.316	0.000	0.000	0.000	0.000	0.000	0.316
Digby Court	0.505	0.000	0.000	0.000	0.000	0.000	0.505
Abbey Court	0.718	0.000	0.000	0.000	0.000	0.000	0.718
Willoughby Court	0.400	0.229	0.000	0.000	0.000	0.000	0.629
Newgate Court	0.316	0.358	0.000	0.000	0.000	0.000	0.674
Garage Sites - Demolition Costs - Lenton	0.131	0.287	0.000	0.000	0.000	0.000	0.418
Lenton Court	0.838	0.000	0.000	0.000	0.000	0.000	0.838
Digby Court	0.870	0.000	0.000	0.000	0.000	0.000	0.870
Abbey Court	0.050	0.820	0.000	0.000	0.000	0.000	0.870
Lenton New Build - Phase 1 Includes ILS	1.863	3.537	0.000	0.000	0.000	0.000	5.400
Lenton New Build - Phase 2 Includes Flats	0.000	0.000	0.000	0.750	0.000	0.000	0.750
Lenton New Build - Phase 2 Includes Bungalows	0.000	1.520	0.000	0.000	0.000	0.000	1.520
Infrastructure Cost	0.000	0.250	0.250	0.000	0.000	0.000	0.500
Section 106 Contribution	0.000	0.250	0.250	0.250	0.000	0.000	0.750
Meadows Crosswall - Phase 1	0.105	0.000	0.000	0.000	0.000	0.000	0.105
Meadows Crosswall - Phase 2	0.098	0.000	0.000	0.000	0.000	0.000	0.098
Meadows Crosswall - Phase 2	0.039	0.000	0.000	0.000	0.000	0.000	0.039
The Chase / Locksley Phase 1	0.108	0.000	0.000	0.000	0.000	0.000	0.108
The Chase Phase 2	0.000	0.057	0.000	0.000	0.000	0.000	0.057
The Chase / Locksley Phase 1	0.198	0.000	0.000	0.000	0.000	0.000	0.198
Robin Hood New Build	0.000	0.000	0.000	0.000	1.430	0.000	1.430
Cranwell Road Flats	0.402	0.134	0.000	0.000	0.000	0.000	0.536

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Meadows Q Blocks	0.331	0.862	0.134	0.000	0.000	0.000	1.327
Leaseholder Costs - Acquisitions - Cranwell / Meadows	1.353	1.120	0.000	0.000	0.000	0.000	2.473
Cranwell Road Flats - Phase 1	0.064	0.000	0.000	0.000	0.000	0.000	0.064
Cranwell New Build	0.000	1.250	3.495	0.000	0.000	0.000	4.745
Meadows New Build	0.000	1.140	4.775	0.000	0.000	0.000	5.915
Rehousing Costs	0.000	2.329	0.400	0.200	0.000	0.000	2.929
Demolition	0.000	1.320	1.047	0.000	0.000	0.000	2.367
Wendling Gardens - New Build	0.157	0.000	0.000	0.000	0.000	0.000	0.157
Henning Gardens - New Build	0.677	0.000	0.000	0.000	0.000	0.000	0.677
Windmill Close - New build	1.259	0.000	0.000	0.000	0.000	0.000	1.259
Denton Green - Demolition	0.090	0.000	0.000	0.000	0.000	0.000	0.090
Denton Green - New Build	0.000	0.470	0.000	0.000	0.000	0.000	0.470
Ragdale Road - New Build	0.000	0.570	0.000	0.000	0.000	0.000	0.570
Meadowvale Road - New Build	0.000	0.330	0.000	0.000	0.000	0.000	0.330
Aspley JSC / Stepney Court - Demo / New Build	0.050	0.700	0.000	0.000	0.000	0.000	0.750
Aspley JSC / Stepney Court - Demo / New Build	0.000	0.912	0.000	0.000	0.000	0.000	0.912
New Build - Unallocated	0.000	0.000	4.258	2.618	0.000	0.000	6.876
Phase 2 New Build - RTB Funded	0.000	0.000	0.000	0.000	0.000	5.600	5.600
Phase 2 New Build - HRA Borrowing Headroom	0.000	0.000	0.000	0.000	6.000	9.000	15.000

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Acquisition	0.000	0.250	0.000	0.000	0.000	0.000	0.250
	<b>13.979</b>	<b>22.682</b>	<b>14.609</b>	<b>3.818</b>	<b>7.430</b>	<b>14.600</b>	<b>77.118</b>
<b><u>Aids &amp; Adaptations &amp; Preventive Adaptations (PAD)</u></b>							
Adaptations For Disabled Persons	0.900	1.519	0.731	0.731	0.731	0.731	5.343
Adaptations For Disabled Persons - DLO	0.900	1.269	1.269	1.269	1.134	1.134	6.975
Preventive Adaptations For Older People - PAD	0.100	0.100	0.100	0.100	0.100	0.100	0.600
	<b>1.900</b>	<b>2.888</b>	<b>2.100</b>	<b>2.100</b>	<b>1.965</b>	<b>1.965</b>	<b>12.918</b>
<b><u>Joint NCC / NCH Involvement</u></b>							
Sanctuary Project	0.065	0.065	0.065	0.065	0.065	0.065	0.390
HRA Shop Investment Strategy	0.182	0.000	0.000	0.000	0.000	0.000	0.182
St Anns Estate Action - Stonebridge Park - Unallocated	0.000	0.565	0.000	0.000	0.000	0.000	0.565
St Anns Estate Action - Stonebridge Park - PLOT	0.325	0.000	0.000	0.000	0.000	0.000	0.325
Kingsthorpe / Kendale - Demolition	0.099	0.000	0.000	0.000	0.000	0.000	0.099
Highcross Court Decommissioning	0.028	0.000	0.000	0.000	0.000	0.000	0.028
Empty Homes	1.246	0.787	0.000	0.000	0.000	0.000	2.033
Mortgage Rescue Scheme (Inc Buy Back / D-Homes)	0.940	0.000	0.000	0.000	0.000	0.000	0.940
Office Improvements	0.200	0.000	0.000	0.000	0.000	0.000	0.200
IT Development Programme	0.039	0.000	0.000	0.000	0.000	0.000	0.039
	<b>3.124</b>	<b>1.417</b>	<b>0.065</b>	<b>0.065</b>	<b>0.065</b>	<b>0.065</b>	<b>4.801</b>
<b>TOTAL</b>	<b>60.715</b>	<b>77.080</b>	<b>48.069</b>	<b>34.545</b>	<b>37.691</b>	<b>38.604</b>	<b>296.704</b>

## APPENDIX C - CAPITAL PROGRAMME SCHEMES AMENDMENTS FOR APPROVAL 2013/14 – 2018/19

PROGRAMME AND SCHEME	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	TOTAL £m
<b><u>Meeting the Nottingham Decent Homes Standard</u></b>							
<b><u>Safe</u></b>							
City Wide CCTV / Door Entry Imp	(0.100)	0.160	0.060	0.060	0.100	0.100	0.380
Fire Alarm Installations	0.000	0.100	0.100	0.100	0.100	0.100	0.500
Replacement Care Alarms	0.000	0.000	0.000	0.015	0.015	0.015	0.045
Asbestos Works	0.000	0.000	0.000	1.100	0.969	0.000	2.069
Lift Replacement Programme	0.000	(0.860)	1.050	0.900	1.080	0.349	2.519
Radon Awareness	(0.010)	0.010	(0.185)	0.000	0.000	0.000	(0.185)
Periodics and Subsequent Work	(0.200)	(1.500)	(1.000)	0.000	0.000	0.000	(2.700)
Water Hygiene- Pump Upgrades	0.060	(0.010)	(0.080)	0.000	0.000	0.000	(0.030)
High Rise Sprinkler Systems	0.000	(0.250)	(0.250)	0.250	0.250	0.000	0.000
Structural Surveys & Rectification Works	0.000	0.000	0.100	0.100	0.100	0.100	0.400
	<b>(0.250)</b>	<b>(2.350)</b>	<b>(0.205)</b>	<b>2.525</b>	<b>2.614</b>	<b>0.664</b>	<b>2.998</b>
<b><u>Secure Warm &amp; Modern</u></b>							
Roof & Chimney Replacement	0.000	3.296	0.000	0.000	0.000	0.000	3.296
Externals	0.000	(5.390)	0.000	0.000	0.000	0.000	(5.390)
Structural Surveys & Rectification Works	0.000	0.000	(0.100)	0.000	0.000	0.000	(0.100)
Maintaining Decency	0.000	0.000	0.000	13.557	16.057	13.500	43.114
	<b>0.000</b>	<b>(2.094)</b>	<b>(0.100)</b>	<b>13.557</b>	<b>16.057</b>	<b>13.500</b>	<b>40.920</b>
<b><u>Additional Tenant Priorities</u></b>							
<b><u>City Wide Door Programme</u></b>							
Composite Doors City Wide	0.000	0.000	0.000	2.000	0.500	0.000	2.500
	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.000</b>	<b>0.500</b>	<b>0.000</b>	<b>2.500</b>

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
<b><u>Energy Efficiency &amp; Tackling Fuel Poverty</u></b>							
Voltage Optimisation	(0.050)	(0.950)	(0.500)	0.000	0.000	0.000	(1.500)
No Fines/ Solid Wall Insulation Schemes	0.000	2.500	2.900	3.600	3.000	2.000	14.000
LED Communal Lighting	0.000	0.000	0.000	0.250	0.250	0.250	0.750
Sneinton District Heating - BMK'S	(0.960)	0.960	0.000	0.000	0.000	0.000	0.000
	<b>(1.010)</b>	<b>2.510</b>	<b>2.400</b>	<b>3.850</b>	<b>3.250</b>	<b>2.250</b>	<b>13.250</b>
<b><u>Modernising Housing For Older People</u></b>							
Independent Living Re-Design	0.000	0.000	0.000	0.500	0.500	0.500	1.500
Benedict Court Major Alterations	(0.280)	0.056	0.000	0.000	0.000	0.000	(0.224)
Carnforth Court Major Alterations	0.000	0.224	0.000	0.000	0.000	0.000	0.224
Mobile Scooter Stores	0.000	0.000	0.000	0.250	0.250	0.000	0.500
	<b>(0.280)</b>	<b>0.280</b>	<b>0.000</b>	<b>0.750</b>	<b>0.750</b>	<b>0.500</b>	<b>2.000</b>
<b><u>Area Environmental Improvements</u></b>							
City Wide Environmentals – 2012-2013	(0.266)	0.266	0.000	0.000	0.000	0.000	0.000
City Wide Environmentals - Area Capital Fund	0.000	(1.000)	0.000	1.000	1.000	1.000	2.000
Estate/Area Impact works	(0.500)	0.500	0.000	0.500	0.500	0.500	1.500
Minor Paving Works	0.000	(0.050)	(0.050)	0.000	0.000	0.000	(0.100)
Paving Works - Area Committee Schemes	0.000	0.000	0.000	0.360	0.360	0.360	1.080
Garage / Outbuildings – Citywide	(0.218)	0.218	(0.800)	0.200	0.200	0.200	(0.200)
	<b>(0.984)</b>	<b>(0.066)</b>	<b>(0.850)</b>	<b>2.060</b>	<b>2.060</b>	<b>2.060</b>	<b>4.280</b>
<b><u>Existing Stock Investment</u></b>							
Communal Facilities	0.000	(0.352)	-0.352	0.000	0.000	0.000	(0.704)
Major Void Works - DLO	0.320	0.350	0.350	2.000	2.000	2.000	7.020
Timber To PVCu Windows	0.000	0.000	0.000	1.000	1.000	1.000	3.000
Air Con Replacement	0.000	0.000	0.000	0.020	0.000	0.000	0.020

<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
High Rise Window Replacement	0.000	0.000	0.000	0.800	0.000	0.000	0.800
	<b>0.320</b>	<b>(0.002)</b>	<b>(0.002)</b>	<b>3.820</b>	<b>3.000</b>	<b>3.000</b>	<b>10.136</b>
<b><u>Decommissioning Regeneration &amp; New Build</u></b>							
<b><u>City Wide Demolition &amp; Regeneration</u></b>							
Radford New Build	(0.150)	0.150	0.000	0.000	0.000	0.000	0.000
Abbey Court	0.050	0.820	0.000	0.000	0.000	0.000	0.870
Lenton New Build - Phase 1 Includes ILS	0.311	(0.311)	0.000	0.000	0.000	0.000	0.000
Lenton New Build - Phase 2 Includes Flats	0.000	0.000	0.000	0.750	0.000	0.000	0.750
Section 106 Contribution	0.000	0.000	0.000	0.250	0.000	0.000	0.250
The Chase Phase 2	(0.057)	0.057	0.000	0.000	0.000	0.000	0.000
Robin Hood New Build	0.000	0.000	(1.430)	0.000	1.430	0.000	0.000
Cranwell New Build	0.000	(1.750)	0.195	0.000	0.000	0.000	(1.555)
Meadows New Build	0.000	0.000	2.575	0.000	0.000	0.000	2.575
Rehousing costs	0.000	0.000	0.000	0.200	0.000	0.000	0.200
Demolition	(0.200)	(0.670)	0.000	0.000	0.000	0.000	-0.870
City Wide Infill Site Regeneration - Demo Phase 4	0.000	0.000	(0.700)	0.000	0.000	0.000	(0.700)
Denton Green - Demolition	0.090	0.000	0.000	0.000	0.000	0.000	0.090
Denton Green - New Build	0.000	0.470	0.000	0.000	0.000	0.000	0.470
Ragdale Road - New Build	0.000	0.570	0.000	0.000	0.000	0.000	0.570



<b>PROGRAMME AND SCHEME</b>	<b>2013/14 £m</b>	<b>2014/15 £m</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>TOTAL £m</b>
Meadowvale Road - New Build	0.000	0.330	0.000	0.000	0.000	0.000	0.330
Aspley JSC / Stepney Court - Demo / New Build	(0.150)	0.400	0.000	0.000	0.000	0.000	0.250
Aspley JSC / Stepney Court - Demo / New Build	0.000	0.912	0.000	0.000	0.000	0.000	0.912
New Build - Unallocated	0.000	(0.792)	0.848	2.618	0.000	0.000	2.674
Phase 2 New Build - RTB Funded	0.000	0.000	0.000	0.000	0.000	5.600	5.600
Phase 2 New Build - HRA Borrowing Headroom	0.000	0.000	0.000	0.000	6.000	9.000	15.000
	<b>(0.106)</b>	<b>0.186</b>	<b>1.488</b>	<b>3.818</b>	<b>7.430</b>	<b>14.600</b>	<b>27.416</b>
<b><u>Aids &amp; Adaptations &amp; Preventive Adaptations (PAD)</u></b>							
Adaptations For Disabled Persons	(0.419)	0.788	0.000	0.731	0.731	0.731	2.562
Adaptations For Disabled Persons - DLO	(0.369)	0.000	0.000	1.269	1.134	1.134	3.168
Preventive Adaptations For Older People - PAD	0.000	0.000	0.000	0.100	0.100	0.100	0.300
	<b>(0.788)</b>	<b>0.788</b>	<b>0.000</b>	<b>2.100</b>	<b>1.965</b>	<b>1.965</b>	<b>6.030</b>
<b><u>Joint NCC / NCH Involvement</u></b>							
Sanctuary Project	0.000	0.000	0.000	0.065	0.065	0.065	0.195
	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.065</b>	<b>0.065</b>	<b>0.065</b>	<b>0.195</b>
<b>TOTAL</b>	<b>(3.098)</b>	<b>(0.748)</b>	<b>2.731</b>	<b>34.545</b>	<b>37.691</b>	<b>38.604</b>	<b>109.725</b>

## APPENDIX D

### HRA CAPITAL RESOURCES APPLIED

RESOURCE TYPE	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	TOTAL £m
Resources b/f	33.344						33.344
Prudential Borrowing	0.000	0.000	0.000	0.000	6.000	9.000	15.000
Decent Homes - Capital Grants	28.270	13.301	0.000	0.000	0.000	0.000	41.571
Major Repairs Reserve	27.081	29.001	29.001	29.001	29.001	29.001	172.086
Capital Grants	1.208	0.772	0.000	0.000	0.000	0.000	1.980
Direct Revenue Financing	6.667	5.972	6.185	7.841	8.076	8.319	43.060
Capital Receipts	4.952	3.015	2.460	0.450	0.000	0.000	10.877
<b>Total resources</b>	<b>101.522</b>	<b>52.061</b>	<b>37.646</b>	<b>37.292</b>	<b>43.077</b>	<b>46.320</b>	<b>317.918</b>
<b>Capital expenditure</b>	<b>60.715</b>	<b>77.080</b>	<b>48.069</b>	<b>34.545</b>	<b>37.691</b>	<b>38.604</b>	<b>296.704</b>

Future commitment to maintaining decency							<b>21.214</b>
<b>Resources c/f</b>	<b>40.807</b>	<b>15.788</b>	<b>5.365</b>	<b>8.112</b>	<b>13.498</b>	<b>21.214</b>	<b>0.000</b>

