

# ANNEX 4

## HOUSING REVENUE ACCOUNT

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## **Annex 4 - 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. 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 whereby the HRA is sustained from the rental income.

The HRA stock at 1 April 2016 was 26,619 (excluding decommissioned properties). The net change in stock during 2016/17 is estimated to be a net reduction by around 150 properties resulting from new build stock and Right to Buy (RTB) sales.

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 maintained to deal with emerging pressures. Any balance on the HRA, either positive or negative, has to be carried forward to the following year. This means, for example, that the 2016/17 outturn will impact on the 2017/18 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 paid to NCH by the Council is a charge on the HRA. NCH is also responsible, under a separate agreement that commenced in April 2014, for repairs to the stock through a series of budgets delegated to it from the Council.

The following policy changes affecting social housing were implemented through the Housing and Planning Act 2016 and the Welfare Reform & Work Act 2016. The changes that impact on the HRA's financial sustainability include:

- Reduction of social housing rents by 1% for four years from April 2016
- Sale of 'Higher value' assets levy (this has been deferred to 2018/19)
- Changes to Housing Benefit to cap it at the Local Housing Allowance level from April 2018 for general needs tenancies and April 2019 for supported accommodation tenancies
- Introduction of a requirement to prevent councils offering new tenancies longer than five years in most circumstances to be introduced from Autumn 2017
- "Pay to Stay" – increased rents for higher income households with finance raised going to HM Treasury – this is no longer compulsory (Ministerial announcement November 2016)

Other issues that continue to impact include:

- Changes to welfare benefit eligibility including changes to Tax Credits and a new benefits cap, with resulting impacts on household income
- Enhanced Right to Buy (RTB) discount criteria leading to increased RTB sales over predicted levels

- Retention of 1-4-1 receipts from RTB Sales
- Bedroom Tax and the increased cost of topping up Discretionary Housing Payments

The financial impact of these changes where it can be quantified has been included in proposed budget for 2017/18 and incorporated into the Medium Term Financial Plan (2017/18 to 2020/21). The changes affecting the HRA will be included in an update to the HRA Business Plan to assess the impact on its financial sustainability and develop plans to ensure it remains in balance.

The key headlines in the HRA budget for 2017/18 are as follows:

### HRA Revenue

- A proposed decrease in rents of **1.0%** for 2017/18
- Continuation of tenant incentive scheme of up to £100 per annum
- A proposed increase in general service charges of **1.0%**
- Proposed increase to estate & block maintenance service charges **£0.77/week**
- A sustainable working balance of **£4m**.

### HRA Capital

- An overall Public Sector Housing Programme of **£203.731m** for the next 5 years of which **£61.101m** relates to 2017/18.
- **£19.448m** for 2017/18 has been specifically allocated to decommissioning, regeneration and new build (Building a Better Nottingham).

### HRA Forecast Outturn 2016/17

**Table 1** summarises the HRA budget and forecast outturn for 2016/17.

<b>TABLE 1: HRA FORECAST OUTTURN 2016/17</b>			
<b>DESCRIPTION</b>	<b>ORIGINAL BUDGET</b>	<b>ESTIMATED OUTTURN</b>	<b>VARIANCE</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>INCOME</b>			
Rent income	(96.939)	(96.807)	0.132
Service charges & other income	(7.956)	(8.005)	(0.049)
<b>TOTAL INCOME</b>	<b>(104.895)</b>	<b>(104.812)</b>	<b>0.083</b>
<b>EXPENDITURE</b>			
Repairs	27.260	27.260	0.000
Management (includes Retained)	32.035	31.987	(0.047)
Capital charges	41.858	39.987	(1.872)
Direct Revenue Financing	3.742	5.578	1.836
<b>TOTAL EXPENDITURE</b>	<b>104.895</b>	<b>104.812</b>	<b>(0.083)</b>
<b>DEFICIT / (SURPLUS)</b>	<b>0.000</b>	<b>(0.000)</b>	<b>(0.000)</b>
Working balance B/F	(4.000)	(4.000)	0.000
<b>WORKING BALANCE C/F</b>	<b>(4.000)</b>	<b>(4.000)</b>	<b>(0.000)</b>

The key variances for 2016/17 from the budget are as follows:

- Capital charges – reduced depreciation charges by £1.872m
- Direct Revenue Financing – increased by £1.836m

Further details of the variances and the reasons for them are provided in **Annex 1**.

## HRA Budget 2017/18

The budget for 2017/18 has been refreshed to take account of the required reduction in rents, increases in charges, inflation, cost pressures, capital financing costs and changes to assumptions.

**Table 2** shows the summary of the 2017/18 budget and the movement from 2016/17 original budget.

<b>TABLE 2: HRA BUDGET 2017/18</b>				
<b>NOTE</b>	<b>DESCRIPTION</b>	<b>2016-17 BUDGET £m</b>	<b>2017-18 BUDGET £m</b>	<b>MOVEMENT £m</b>
	<b>INCOME</b>			
1	Rent income	(96.939)	(94.706)	2.232
2	Service charges & other income	(7.956)	(8.993)	(1.037)
	<b>TOTAL INCOME</b>	<b>(104.895)</b>	<b>(103.700)</b>	<b>1.196</b>
	<b>EXPENDITURE</b>			
3	Repairs	27.260	27.329	0.069
4	Management	32.035	32.612	0.577
5	Capital Charges	41.858	40.041	(1.817)
6	Direct Revenue Financing	3.742	3.717	(0.025)
	<b>TOTAL EXPENDITURE</b>	<b>104.895</b>	<b>103.700</b>	<b>(1.196)</b>
	<b>Deficit / (Surplus)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
7	HRA Working Balance	(4.000)	(4.000)	0.000

### 1. Rent Income

Rent policy – The Welfare Reform and Work Act 2016 requires that social rents are reduced by 1% per annum for four years from 2016, with 2017 being the second year the Council has had to reduce rents.

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). Following the introduction of the Act the limit rent will decrease by 1% in 2017/18 and is estimated to be £75.67 per week (over 52 weeks). The proposed average rent of £71.86 gives headroom of £3.81 per week. Applying the proposed rent and taking account of the

estimated reduction in stock will reduce rental income by **£1.709m** per annum. The reduction of council housing stock is due to council housing sales (from Right to Buy and sales of non-standard “corporate” stock) and demolition as part of the new build programme off-set by addition of new build properties into stock.

The rent decrease also applies to Highwood House, the Council’s homeless families unit, with a decrease of 1.0% being applied to all new tenancies.

Affordable rent - For schemes where the HCA provides a grant towards the cost of re-purchase and works to properties or new build properties a condition of the grant is that they must be let at “Affordable Rent”, which is 80% of the local market rent. The above legislation also applies to affordable rents and therefore these will be decreased by **1.0%**. The affordable rent must be recalculated for a new tenancy.

Bad debt provision - Part of the reforms introduced by Universal Credit includes payment of 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 rolled out across the country. Early evidence from pilot schemes suggests that arrears increase as much as threefold, so the provision will be increased by £0.523m in 2017/18. For each of the years 2018/19 and 2019/20 it will be increased by a further £0.500m to give time to assess the impact and develop a robust future strategy.

The HRA working balance has already been increased to £4.000m and will be retained at this level to manage the pressure and uncertainty on the HRA.

<b>TABLE 3: RENT INCOME CHANGES 2017/18</b>	
<b>DESCRIPTION</b>	<b>£m</b>
Rent income - 1% reduction & net stock reduction	1.709
Rent income – increase bad debt provision	0.523
<b>Rent income (net)</b>	<b>2.232</b>

## **2. Service charges & other income**

The Welfare Reform and Work Bill requirement to reduce social rents by 1% per annum is not applicable to service charges. Where a direct service charge is levied, it will increase by **1.0%** (CPI September 2016), to support the recovery of associated costs. For the estate and block maintenance charges an increase of £0.77/ week is proposed. It is also proposed that an additional service charge is created for the provision of communal laundry rooms which will replace the existing collection of payments using coin operated machines. **Appendix A** gives details of the service charges, new charges introduced and the increases to each charge.

Garages not included as part of the rent of a dwelling are currently charged at an average £8.45 per week. It is proposed to increase this by £0.10 to an average of £8.55, generating additional annual income of **£0.009m**. VAT is added to the rent charge when the garage is rented to someone without a tenancy (including leaseholders).

<b>TABLE 4: SERVICE CHARGES &amp; OTHER INCOME CHANGES 2017/18</b>	
<b>DESCRIPTION</b>	<b>£m</b>
Service charges	(1.110)
Independent living charges	(0.013)
Other income	0.095
Garage rents	(0.009)
<b>Service charges and other income</b>	<b>(1.037)</b>

### **3. Repairs**

The housing repairs budget has been increased by £0.069m as a consequence of applying an inflationary increase of 1.0% (+£0.272m) and reducing to adjust for the new reduction in the stock (-£0.203m).

### **4. Management**

NCH Management Fee £22.615m – It is proposed that the Management Fee paid to NCH will be increased from £22.516m to £22.615m, which comprises of apprentice levy (+£0.170m), communal laundry costs (+£0.097m which will be recovered from tenants via a service charge) and a stock change adjustment to reflect the declining volume of stock (-£0.167m).

Retained Housing £3.702m – The HRA budgets still managed by the Council are set in line with General Fund assumptions, i.e. pay award (1%) and general inflation (0%) and have been contained within existing resources. A review of cost allocation between the General Fund and the HRA was done and the budget reflects that review. A further review will be undertaken in 2017 to complete this.

Meter relocations £0.090m – The cost of relocating PV solar panels meters on council houses to comply with regulatory requirements.

Public Realm & CCTV £4.204m - It is proposed that a cash limit is used for these costs charged by the General Fund.

Responsible Tenant Reward scheme £2.000m - The scheme rewards responsible tenants who pay rent on time, behave responsibly (e.g. keep gas maintenance appointments) and show respect to their neighbours and NCH staff. Tenants that meet the criteria receive £100 per annum, with the estimated cost of £2.200m in 2016/17. It is proposed that £2.000m is budgeted for the scheme in 2017/18 as a result of applying the eligibility criteria more strictly. The cost of the scheme will be mitigated to some extent by cost savings generated from the changes in behaviour. The scheme will be extended by one year and the criteria will be reviewed in 2017.

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. This proposal has no direct impact upon the HRA.

## 5. Capital charges

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 rent reduction required by draft legislation referred to earlier in the report results in a reduced contribution to the capital programme in 2017/18 as reflected in **Table 5**.

<b>TABLE 5: CAPITAL FINANCING COSTS</b>			
DESCRIPTION	Original Budget 2016/17 £m	Budget 2017/18 £m	Movement £m
Depreciation	29.001	26.876	(2.125)
Debt charges	12.857	13.165	0.308
<b>TOTAL</b>	<b>41.858</b>	<b>40.041</b>	<b>(1.817)</b>

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 2017/18 budget is £26.876m.

Debt charges - The HRA continues to benefiting from the historically low short term interest rates, with the estimated average rate to be applied in 2017/18 being **4.29%**. All borrowing is currently at fixed interest rates to remove interest rate risk from the HRA. Over the life of the MTFP the long term average interest rates of between 4.00% and 4.50% are still expected to be valid for the HRA business plan.

## 6. Direct Revenue Financing

To ensure full funding of the Housing Investment Programme direct revenue financing of £3.717m has been made in 2017/18, a reduction of £0.025m from the 2016/17 budget reflecting the revised resources available in the HRA to finance capital investment.

## 7. HRA Working Balance

Under HRA self-financing the Council has taken on new risks arising from the HRA being dependent upon rental income to sustain future investment in the housing stock. The working balance acts as a contingency to cover 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 MTFP.

## HRA Medium Term Financial Plan 2017/18 to 2020/21

The HRA MTFP 4 year projections have been updated to reflect the above changes. **Table 6** shows the HRA MTFP for 2017/18 to 2020/21. The future years' projections are based on information currently available but subject to ongoing review. Projections for 2018/19 to 2020/21 incorporate the following assumptions:

- The inflation indicators are consistent with those used throughout the entire MTFP.
- Rent levels have been assumed to decrease in accordance with the legislation (-1% p.a. until 2019). In 2020 it has been assumed that no rent increase is applied. The rent level reflects the net stock changes resulting from sales and new build.
- Financing costs take account of the existing and projected borrowing required.
- Depreciation charges are based on asset life spans and replacement costs data provided by NCH.
- The Tenant Incentive Scheme continues and remains unchanged
- Additional savings of at least £0.483m required to be identified for 2020/21 to ensure the HRA remains in balance.

<b>TABLE 6: HRA – MEDIUM TERM FINANCIAL PLAN</b>				
<b>DESCRIPTION</b>	<b>BUDGET 2017/18 £m</b>	<b>BUDGET 2018/19 £m</b>	<b>BUDGET 2019/20 £m</b>	<b>BUDGET 2020/21 £m</b>
<b>INCOME</b>				
Rental Income	(96.748)	(95.538)	(93.909)	(93.344)
Provision for Bad Debts	2.042	2.542	3.042	3.042
Service charges	(5.817)	(5.682)	(5.682)	(5.682)
Other rents (inc garage)	(2.785)	(2.785)	(2.785)	(2.785)
Other income including interest	(0.390)	(0.344)	(0.304)	(0.264)
<b>TOTAL</b>	<b>(103.700)</b>	<b>(101.807)</b>	<b>(99.638)</b>	<b>(99.033)</b>
<b>EXPENDITURE</b>				
Repairs to Dwellings	27.329	27.260	27.066	26.903
NCH Management Fee	22.615	22.461	22.301	22.167
Tenant incentive scheme	2.000	2.000	2.000	2.000
Public Realm	2.846	2.846	2.846	2.846
CCTV	1.358	1.358	1.358	1.358
Retained Housing	3.792	3.728	3.701	3.679
Provision for Depreciation	26.876	26.808	26.617	26.457
Debt Charges	13.165	13.500	13.663	13.663
Direct Revenue Financing	3.717	0.877	0.000	0.000
Higher Value Asset Levy	0.000	0.500	0.500	0.500
Additional savings to be identified				(0.483)
<b>TOTAL EXPENDITURE</b>	<b>103.700</b>	<b>101.338</b>	<b>100.052</b>	<b>99.089</b>
<b>Deficit / (Surplus)</b>	<b>0.000</b>	<b>(0.470)</b>	<b>0.414</b>	<b>0.056</b>
Add Working Balance B/F	4.000	4.000	4.470	4.056
<b>WORKING BALANCE C/F</b>	<b>4.000</b>	<b>4.470</b>	<b>4.056</b>	<b>4.000</b>



## 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 was refreshed in 2015 to reflect the revised rent policy introduced by the Government from 1 April 2015. The Welfare Reform & Work Act 2016 requires an annual 1% reduction to rents until 2019, making the existing plan unaffordable.

An interim review of the Asset Management Plan (AMP) for the next 5 years has been undertaken to inform the revised capital programme, whilst work on a fundamental review of the 30 year Business Plan is being undertaken.

### 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 7** shows the level of investment to 2021/22 against the existing capital programme approved to 2020/21.

TABLE 7: PUBLIC SECTOR HOUSING CAPITAL PROGRAMME							
PROGRAMME MOVEMENT	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	TOTAL £m
Existing programme	57.867	63.287	43.472	34.647	30.920	0.000	230.193
New/amended schemes	0.001	(2.186)	(2.511)	(1.596)	2.557	35.141	31.406
<b>TOTAL PROGRAMME</b>	<b>57.868</b>	<b>61.101</b>	<b>40.962</b>	<b>33.050</b>	<b>33.477</b>	<b>35.141</b>	<b>261.599</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 schemes/programmes shown as requiring NCH approval are delegated to NCH to award contracts up to the value of the scheme/programme shown in **Appendix B**.

Schemes within the programme, including Building a Better Nottingham, will require further approval within the Council, at either Portfolio Holder or Executive Board level (depending on the value) as these are aspirational projects requiring further refinement.

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; and
- 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 (refreshed to 2021/22), known commitments from schemes in progress, health and safety issues and other service investment needs. The AMP has been reviewed and £10m of works have been deferred to beyond 2021/22 to match resource availability. **Table 8** shows the summary resources identified to support the programme.

<b>TABLE 8: CAPITAL PROGRAMME &amp; RESOURCES</b>							
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>TOTAL</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>TOTAL INVESTMENT</b>	<b>57.868</b>	<b>61.101</b>	<b>40.962</b>	<b>33.050</b>	<b>33.477</b>	<b>35.141</b>	<b>261.599</b>
<b>RESOURCES</b>							
Capital Resources	51.075	53.780	38.177	32.850	33.277	34.941	244.100
Capital Receipts	1.265	3.604	1.908	0.200	0.200	0.200	7.377
Direct Revenue Financing	5.528	3.717	0.877	0.000	0.000	0.000	10.123
<b>TOTAL RESOURCES</b>	<b>57.868</b>	<b>61.101</b>	<b>40.962</b>	<b>33.050</b>	<b>33.477</b>	<b>35.141</b>	<b>261.599</b>

The financing of the capital programme is shown in **Appendix D**. The summary HRA capital programme for 2017/18 is shown in **Table 9**.

<b>TABLE 9: SUMMARY CAPITAL PROGRAMME 2017/18</b>	
<b>DESCRIPTION</b>	<b>£m</b>
Maintaining the Nottingham Decent Homes Standard	15.275
Additional tenant priorities:	
- City wide energy efficiency	11.219
- Additional improvements	15.160
Building a Better Nottingham	19.448
<b>TOTAL</b>	<b>61.101</b>

#### Maintaining the Nottingham Decent Homes Standard

Nottingham City Council, through its delivery agent NCH, has achieved the Decent Homes standard in the council's housing stock. We are committed to Maintaining Decency and have developed a programme which invests **£85.500m** over 5 years to deliver the Nottingham Standard for decent homes.

#### Energy Efficiency and Tackling Fuel Poverty

Over the 5 years of the programme £41.373m is being invested in energy efficiency measures including external wall insulation and LED lighting to reduce energy costs and improve living standards for tenants. The costs to the Council are reduced by ECO funding (the Energy Company Obligation – ECO) and EU funding that will benefit over 300 council homes in Sneinton (Remo-Urban).

#### Building a Better Nottingham – new build programme

The HRA’s Capital Programme for Public Sector Housing includes **£28.380m** for decommissioning, demolition and new build council housing. This supports the aim of the Council Plan 2015-19 for 2,500 new homes that Nottingham people can afford to rent or buy.

In July 2014 the Council and NCH were awarded £3.333m of grant funding from the Homes and Communities Agency (HCA). The funding will contribute 13% of the cost of building 182 new homes within the city by March 2018 including the development of 17 NCH owned family homes in Lenton.

Other schemes in the new build programme are supported by “1-4-1” capital receipts from Right to Buy – see Table 12 below.

#### HRA Capital Receipts

**Table 10** shows the estimated capital receipts from RTB sales based on updated assumptions after applying the pooling requirement and costs of disposal. Currently the balance of RTB receipts available are used to support the private sector housing programme in the ‘All Other Services’ programme in the General Fund. The table excludes 1-4-1 receipts of which more detail is given below.

<b>TABLE 10: HRA RTB CAPITAL RECEIPTS</b>							
<b>PROJECTION</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>TOTAL</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
RTB Sales	10.726	8.045	6.034	4.525	3.394	2.545	<b>35.269</b>
Less Paid to Government	(2.103)	(1.577)	(1.183)	(0.887)	(0.665)	(0.499)	<b>(6.914)</b>
Less Transaction Costs	(0.364)	(0.273)	(0.205)	(0.154)	(0.115)	(0.086)	<b>(1.197)</b>
Less 1-4-1 Receipts (Table12)	(4.393)	(3.295)	(2.471)	(1.853)	(1.390)	(1.043)	<b>(14.446)</b>
To repay HRA debt	(0.202)	(0.774)	(1.208)	(1.283)	(0.965)	(0.724)	<b>(5.156)</b>
<b>Balance to General Fund Capital Programme</b>	<b>3.664</b>	<b>2.126</b>	<b>0.967</b>	<b>0.348</b>	<b>0.258</b>	<b>0.193</b>	<b>7.557</b>

The level of right to buy disposals is at such a level that the policy for RTB receipts has been reviewed. An element of future receipts will be retained to voluntarily set aside against HRA debt. The current proposal is to ensure that the level of capital charges is no more than 12.5% of the HRA turnover as a proxy for sustainability. This policy will be reviewed in 2017.

**Table 11** shows the profile of capital receipts (excluding 1-4-1 receipts), that can be used up to the values stated and may be used to finance any capital expenditure. Previously approved Council policy on the allocation of capital receipts will require

these sums 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 11: HRA CAPITAL RECEIPTS							
PROJECTION	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Corporates	0.320	0.640	0.640	0.000	0.000	0.000	1.600
Housing land sales	0.945	0.200	0.200	0.200	0.200	0.200	1.945
<b>Total</b>	<b>1.265</b>	<b>0.840</b>	<b>0.840</b>	<b>0.200</b>	<b>0.200</b>	<b>0.200</b>	<b>3.545</b>

#### 1-4-1 Receipts from additional Right to Buy (RTB) sales

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.

Where RTB sales exceed the sales predicted prior to the government’s reinvigoration of RTB, the Council may keep an additional proportion of the receipt (known as the 1-4-1 receipt) for spend on new build. Funding must be spent on creating additional social housing (either new build or purchase of properties), the Council must contribute at least 70% of the cost and must be spent within 3 years of the related RTB sale (excluding schemes with HCA grant). Any receipt unspent within the timeframe must be returned to the DCLG.

**Table 12** shows the projected 1-4-1 receipts and the use to finance expenditure on schemes that meet the eligibility criteria within the capital programme. The available receipts are those currently without a scheme in the capital programme and if suitable schemes are not identified will need to be repaid to central government.

TABLE 12 : PROJECTED 1-4-1 RECEIPTS							
PROJECTION	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	TOTAL
	£m	£m	£m	£m	£m	£m	£m
Opening balance	0.000	4.393	4.925	6.328	8.182	9.572	
Add new 1-4-1 receipts	4.393	3.295	2.471	1.853	1.390	1.043	<b>14.446</b>
HRA use in year	0.000	2.764	1.068	0.000	0.000	0.000	<b>3.832</b>
<b>Available</b>	<b>4.393</b>	<b>4.925</b>	<b>6.328</b>	<b>8.182</b>	<b>9.572</b>	<b>10.614</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 13**. The planned 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 13: HRA DEBT POSITION</b>	
<b>DESCRIPTION</b>	<b>£m</b>
HRA CFR at 1 April 2016	280.789
Less: debt planned to be repaid in year	(0.505)
HRA CFR at 1 April 2017	280.284
<b>Debt cap</b>	<b>319.748</b>
<b>Estimated headroom at 1 April 2017</b>	<b>39.464</b>

The MTFP assumes the use of the headroom over the life of the plan primarily to support investment in new social housing – see **Table 14** for impact on the debt cap. 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.

<b>TABLE 14: HRA DEBT POSITION - PROJECTED</b>	
<b>DESCRIPTION</b>	<b>£m</b>
HRA CFR at 1 April 2017	280.284
Add: borrowing taken out over 5 year investment plan	24.350
Less: debt planned to be repaid over 5 years	(7.179)
HRA CFR at 1 April 2022	297.456
<b>Debt cap</b>	<b>319.748</b>
<b>Estimated headroom at 1 April 2022</b>	<b>22.292</b>

## APPENDIX A – SERVICE CHARGES INCREASES 2017/18

### Service charges (over 50 weeks)

**Table 1** lists the range of services provided to specific groups of tenants. It is proposed that service charges are increased by **1.0%** (CPI September 2016), apart from Estate and Block maintenance charges which are increased by £0.77 to recover the costs of maintaining communal grounds and spaces. It is also proposed that an additional service charge is created for the provision of communal laundry rooms and replace the existing collection of payments using coin operated machines. This will reduce operating costs and to allow for investment in the equipment. Applying the revised rates would produce additional annual income of **£1.110m**.

<b>TABLE 1: WEEKLY SERVICE CHARGES</b>			
<b>SERVICE</b>	<b>CURRENT 2016/17 (£)</b>	<b>PROPOSED 2017/18 (£)</b>	<b>INCREASE (£)</b>
Caretaking	5.30	5.35	0.05
Cleaning Service	3.12	3.15	0.03
Communal lighting	0.55	0.56	0.01
Communal TV system	0.93	0.94	0.01
Homewatch	0.53	0.54	0.01
Security (CCTV)	5.53	5.59	0.06
Emergency Alarm	2.54	2.57	0.03
Scooter storage	1.04	1.05	0.01
Estate Maintenance	1.26	2.03	0.77
Block Maintenance	1.26	2.03	0.77
Laundry facilities	n/a	1.40	n/a

Furnished tenancy service charges will also increase by **1.0%**.

### Independent Living Charges

Tenants in Independent Living schemes pay additional charges for intensive housing management, housing related support and emergency alarms that are necessary to assist tenants in retaining their independence. It is proposed that the total Independent Living service charges are increased by **1.0%** to support the recovery of associated costs - see **Table 2** below. Applying the revised rates would produce additional annual income of **£0.013m**.

<b>TABLE 2: INDEPENDENT LIVING CHARGES</b>			
<b>CHARGE</b>	<b>CURRENT 2016/17 £</b>	<b>PROPOSED 2017/18 £</b>	<b>INCREASE (£)</b>
Independent Living	3.13	3.16	0.03
Intensive Housing Management	10.58	10.69	0.11
Independent Living charge where no intensive HM	3.30	3.33	0.03

### Scheme Charges

Foxton Gardens is an independent living scheme with its own service charge and charges for heat and water. Charges for heat and water are recommended to be increased by **1.0%** in line with other recommended service charge increases, whilst following a review the main service charge this is proposed to be reduced by £0.77/week. Details are set out in **Table 3**.

<b>TABLE 3: FOXTON GARDENS CHARGES</b>			
<b>TYPE</b>	<b>CURRENT 2016/17 £</b>	<b>PROPOSED 2017/18 £</b>	<b>CHANGE (£)</b>
<b>FOXTON GARDENS: SERVICE CHARGES</b>			
One bed	34.24	33.47	-0.77
Two bed	35.96	35.19	-0.77
<b>FOXTON GARDENS: WATER</b>			
One bed	3.04	3.07	0.03
Two bed	4.23	4.27	0.04
<b>FOXTON GARDENS: HEATING</b>			
One bed	14.85	15.00	0.15
Two bed	20.16	20.36	0.20

Sutton House is an independent living scheme purchased by the Council in January 2017 which has its own service charges. It is proposed that these increase by 1.0% in line with all other service charges.

### Highwood House

Highwood House is the Council's homeless families unit. Charges are recommended to be increased by **1.0%** in line with other proposed service charge increases. The increase will generate additional income of **£0.002m** and has been allowed for in the budget. Details are set out in **Table 4**.

<b>TABLE 4: HIGHWOOD HOUSE CHARGES</b>			
<b>TYPE</b>	<b>CURRENT 2016/17 £</b>	<b>PROPOSED 2017/18 £</b>	<b>INCREASE £</b>
Eligible Service Charge	123.95	125.19	1.24
<b>Ineligible Service Charge (Flat heating, lighting, water)</b>			
One bed	12.72	12.85	0.13
Two bed	18.36	18.54	0.18

## APPENDIX B - CAPITAL PROGRAMME BY SCHEME 2015/16– 2020/21

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<b><u>Meeting the Nottingham Decent Homes Standard</u></b>								
<b><u>Safe</u></b>								
City Wide CCTV / Door Entry Imp	<b>NCH</b>	0.210	0.080	0.086	0.201	0.111	0.409	1.097
Fire Alarm Installations	<b>NCH</b>	0.102	0.090	0.090	0.090	0.114	0.116	0.602
Asbestos Works	<b>NCH</b>	1.275	0.694	0.200	0.200	0.200	0.200	2.769
Lift Replacement Programme	<b>NCH</b>	0.949	1.080	0.949	0.600	0.000	0.000	3.578
Radon Awareness	<b>NCH</b>	0.040	0.200	0.000	0.000	0.000	0.000	0.240
Water Infrastructure Managed Supplies	<b>NCH</b>	0.034	0.010	0.010	0.000	0.000	0.000	0.054
High Rise Sprinkler Systems	<b>NCH</b>	0.136	0.250	0.277	0.000	0.000	0.000	0.663
Window Restrictor Programme	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Structural Surveys & Rectification Works	<b>NCH</b>	0.242	0.073	0.050	0.050	0.050	0.050	0.515
Renew Bin Store/Refuse Chute	<b>NCH</b>	0.000	0.000	0.000	0.524	0.468	0.500	1.492
Management Fee	<b>NCH</b>	0.172	0.124	0.083	0.083	0.047	0.064	0.573
		<b>3.160</b>	<b>2.601</b>	<b>1.745</b>	<b>1.748</b>	<b>0.990</b>	<b>1.339</b>	<b>11.583</b>
<b><u>Secure Warm &amp; Modern</u></b>								
Nottingham Secure	<b>NCH</b>	2.074	2.670	2.601	2.663	3.243	2.036	15.286
Modern Living	<b>NCH</b>	3.827	2.085	2.926	3.789	4.000	5.498	22.124
Warmth for Nottingham - (Includes EWI / DLO Heating)	<b>NCH</b>	1.677	3.030	2.316	3.232	2.191	3.590	16.036
Roof & Chimney Replacement	<b>NCH</b>	2.915	1.533	1.533	1.533	2.000	3.500	13.014
External Fabric	<b>NCH</b>	1.007	2.824	3.425	3.547	4.000	4.000	18.802
Management Fee	<b>NCH</b>	0.578	0.532	0.565	0.663	0.697	0.856	3.891
		<b>12.077</b>	<b>12.674</b>	<b>13.365</b>	<b>15.427</b>	<b>16.131</b>	<b>19.480</b>	<b>89.153</b>



PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<b><u>Additional Tenant Priorities</u></b>								
<b><u>Energy Efficiency &amp; Tackling Fuel Poverty</u></b>								
No Fines/ Solid Wall Insulation Schemes	<b>NCC</b>	6.666	6.049	3.934	3.091	3.500	4.000	27.240
Green Deal Communities Funding	<b>NCC</b>	0.300	0.000	0.000	0.000	0.000	0.000	0.300
BISF Upgrades / External Wall Insulation	<b>NCC</b>	1.560	1.500	0.000	0.000	0.000	0.000	3.060
LED Communal Lighting	<b>NCH</b>	0.250	0.250	0.250	0.000	0.000	0.000	0.750
Woodthorpe & Winchester – CHP	<b>NCC</b>	0.100	2.886	2.500	0.000	0.000	0.000	5.486
Colwick Woods Court Management Fee	<b>NCC</b>	0.000	0.000	2.500	0.000	0.000	0.000	2.500
	<b>NCH</b>	0.514	0.534	0.459	0.155	0.175	0.200	2.037
		<b>9.390</b>	<b>11.219</b>	<b>9.643</b>	<b>3.246</b>	<b>3.675</b>	<b>4.200</b>	<b>41.373</b>
<b><u>Modernising Housing For Older People</u></b>								
Independent living Re-Design	<b>NCH</b>	0.900	0.981	0.584	0.230	0.100	0.100	2.895
Independent Living Re-Designation	<b>NCH</b>	0.000	0.014	0.000	0.000	0.000	0.000	0.014
Carnforth Court Major Alterations	<b>NCC</b>	0.017	0.000	0.000	0.000	0.000	0.000	0.017
Mobile Scooter Stores	<b>NCH</b>	0.383	0.250	0.250	0.117	0.000	0.000	1.000
Refurbishment Of Sheltered Housing Scheme Management Fee	<b>NCH</b>	0.150	0.150	0.000	0.000	0.000	0.000	0.300
	<b>NCH</b>	0.073	0.070	0.042	0.017	0.005	0.005	0.212
		<b>1.523</b>	<b>1.465</b>	<b>0.876</b>	<b>0.364</b>	<b>0.105</b>	<b>0.105</b>	<b>4.438</b>

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<b><u>Decent Neighbourhoods</u></b>								
City Wide Environmentals - AREA CAPITAL FUND	<b>NCH</b>	1.000	1.324	1.000	1.000	1.000	1.000	6.324
Estate/Area Impact works	<b>NCH</b>	1.116	1.000	1.000	1.000	1.000	1.000	6.116
Paving Works - AREA COMMITTEE SCHEMES	<b>NCH</b>	0.328	0.360	0.360	0.360	0.360	0.360	2.128
Garage / Outbuildings - CITYWIDE	<b>NCH</b>	0.212	0.298	0.200	1.028	0.203	1.166	3.107
Management Fee	<b>NCH</b>	0.133	0.149	0.128	0.169	0.128	0.176	0.884
		<b>2.789</b>	<b>3.131</b>	<b>2.688</b>	<b>3.557</b>	<b>2.691</b>	<b>3.702</b>	<b>18.559</b>
<b><u>Existing Stock Investment</u></b>								
Major Void Works - DLO	<b>NCH</b>	2.400	2.400	2.400	2.400	2.400	2.400	14.400
Fire Damaged Properties - DLO	<b>NCH</b>	0.160	0.100	0.100	0.100	0.100	0.100	0.660
Victoria Centre Roof	<b>NCH</b>	0.050	0.266	0.000	0.000	0.000	0.000	0.316
Victoria Centre External Refurbishment	<b>NCC</b>	0.000	0.000	0.000	3.000	5.000	1.600	9.600
Management Fee	<b>NCH</b>	0.003	0.013	0.000	0.150	0.250	0.080	0.496
		<b>2.613</b>	<b>2.779</b>	<b>2.500</b>	<b>5.650</b>	<b>7.750</b>	<b>4.180</b>	<b>25.472</b>

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<b><u>Building a Better Nottingham</u></b>								
Lenton - DECOM, DEMO & NEW BUILD	<b>NCC</b>	2.551	0.000	0.000	0.000	0.000	0.000	2.551
Cranwell Road & Meadows Q Blocks Leaseholder Acquisitions	<b>NCC</b>	0.128	0.000	0.000	0.000	0.000	0.000	0.128
Cranwell Road Flats - DECOM, DEMO & NEW BUILD	<b>NCC</b>	3.197	0.514	0.000	0.000	0.000	0.000	3.711
Meadows Q Blocks - DECOM, DEMO & NEW BUILD	<b>NCC</b>	3.567	0.055	0.000	0.000	0.000	0.000	3.622
Rehousing Costs	<b>NCC</b>	0.000	0.459	0.000	0.000	0.000	0.000	0.459
Demolition	<b>NCC</b>	0.097	0.087	0.000	0.000	0.000	0.000	0.184
Ragdale Road - DEMO & NEW BUILD	<b>NCC</b>	0.404	0.373	0.000	0.000	0.000	0.000	0.777
Meadowvale Road - DEMO & NEW BUILD	<b>NCC</b>	0.417	0.000	0.000	0.000	0.000	0.000	0.417
Aspley JSC / Stepney Court - DECOM, DEMO & NEW BUILD	<b>NCC</b>	0.400	2.815	0.414	0.000	0.000	0.000	3.629
Affordable Homes Infill Sites - DECOM, DEMO & NEW BUILD	<b>NCC</b>	5.316	6.169	0.000	0.000	0.000	0.000	11.486
New Build Phase 1 - UNALLOCATED	<b>NCC</b>	0.207	0.373	0.000	0.000	0.000	0.000	0.580
New Build Phase 2 - UNALLOCATED	<b>NCC</b>	0.000	2.250	4.750	0.879	0.000	0.000	7.879
Morley School - DECOM, DEMO & NEW BUILD	<b>NCC</b>	2.576	1.300	0.000	0.000	0.000	0.000	3.876
Acquisition	<b>NCC</b>	0.650	0.381	0.000	0.000	0.000	0.000	1.031
Woodthorpe & Winchester - New Build	<b>NCC</b>	0.200	3.800	2.500	0.000	0.000	0.000	6.500
Management Fee	<b>NCH</b>	1.102	0.872	0.346	0.044	0.000	0.000	2.364
		<b>20.813</b>	<b>19.448</b>	<b>8.009</b>	<b>0.923</b>	<b>0.000</b>	<b>0.000</b>	<b>49.193</b>

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<b><u>Joint NCC / NCH Involvement</u></b>								
Sanctuary Project	<b>NCC</b>	0.035	0.035	0.035	0.035	0.035	0.035	0.210
HRA Shop Investment Strategy	<b>NCC</b>	0.140	0.039	0.000	0.000	0.000	0.000	0.179
St Anns Estate Action - Stonebridge Park (PHASE 3 & 6)	<b>NCC</b>	0.030	0.520	0.000	0.000	0.000	0.000	0.550
Empty Homes	<b>NCC</b>	0.632	0.000	0.000	0.000	0.000	0.000	0.632
Office Improvements	<b>NCC</b>	0.030	0.000	0.000	0.000	0.000	0.000	0.030
IT Development Programme	<b>NCC</b>	0.000	0.026	0.000	0.000	0.000	0.000	0.026
PV Installation Programme	<b>NCC</b>	0.000	5.064	0.000	0.000	0.000	0.000	5.064
Adaptations For Disabled Persons	<b>NCC</b>	1.224	0.731	0.731	0.731	0.731	0.731	4.879
Adaptations For Disabled Persons - <b>DLO</b>	<b>NCC</b>	1.269	1.269	1.269	1.269	1.269	1.269	7.614
Preventive Adaptations For Older People – <b>PAD</b>	<b>NCC</b>	0.100	0.100	0.100	0.100	0.100	0.100	0.600
Grant to NCH for acquisition of Lenton land	<b>NCC</b>	0.745	0.000	0.000	0.000	0.000	0.000	0.745
Acquisition Of Sheltered Housing Scheme	<b>NCC</b>	1.300	0.000	0.000	0.000	0.000	0.000	1.300
		<b>5.504</b>	<b>7.784</b>	<b>2.135</b>	<b>2.135</b>	<b>2.135</b>	<b>2.135</b>	<b>21.828</b>
<b>TOTAL</b>		<b>57.868</b>	<b>61.101</b>	<b>40.962</b>	<b>33.050</b>	<b>33.477</b>	<b>35.141</b>	<b>261.599</b>

## APPENDIX C - CAPITAL PROGRAMME SCHEMES AMENDMENTS FOR APPROVAL 2015/16 – 2020/21

PROGRAMME AND SCHEME	Approval	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	TOTAL £m
<b><u>Meeting the Nottingham Decent Homes Standard</u></b>								
<b><u>Safe</u></b>								
City Wide CCTV / Door Entry Imp	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(0.409)	(0.409)
Fire Alarm Installations	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(0.116)	(0.116)
Asbestos Works	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(0.200)	(0.200)
Lift Replacement Programme	<b>NCH</b>	0.000	0.000	(0.600)	(0.600)	0.000	0.000	(1.200)
Radon Awareness	<b>NCH</b>	0.096	(0.200)	0.000	0.000	0.000	0.000	(0.104)
Water Infrastructure Managed Supplies	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
High Rise Sprinkler Systems	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Window Restrictor Programme	<b>NCH</b>	0.027	0.000	0.000	0.000	0.000	0.000	0.027
Structural Surveys & Rectification Works	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(0.050)	(0.050)
Renew Bin Store/Refuse Chute	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(0.500)	(0.500)
Management Fee	<b>NCH</b>	(0.016)	(0.010)	(0.030)	(0.030)	0.000	(0.064)	(0.150)
		<b>0.107</b>	<b>(0.210)</b>	<b>(0.630)</b>	<b>(0.630)</b>	<b>0.000</b>	<b>(1.339)</b>	<b>(2.702)</b>
<b><u>Secure Warm &amp; Modern</u></b>								
Nottingham Secure	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(2.036)	(2.035)
Modern Living	<b>NCH</b>	0.000	0.000	0.000	0.000	1.000	(5.498)	(4.498)
Warmth for Nottingham - (Includes EWI / DLO Heating)	<b>NCH</b>	0.000	0.000	0.000	0.000	(1.000)	(3.590)	(4.590)
Roof & Chimney Replacement	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(3.500)	(3.500)
External Fabric	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(4.000)	(4.000)
Management Fee	<b>NCH</b>	(0.078)	0.075	0.075	0.075	0.075	(0.856)	(0.634)
		<b>(0.077)</b>	<b>0.075</b>	<b>0.076</b>	<b>0.075</b>	<b>0.075</b>	<b>(19.480)</b>	<b>(19.256)</b>

<b>PROGRAMME AND SCHEME</b>	<b>Approval</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>TOTAL £m</b>
<b><u>Additional Tenant Priorities</u></b>								
<b><u>Energy Efficiency &amp; Tackling Fuel Poverty</u></b>								
No Fines/ Solid Wall Insulation Schemes	<b>NCC</b>	0.000	0.000	1.000	1.000	1.000	(4.000)	(1.000)
Green Deal Communities Funding	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
BISF Upgrades / External Wall Insulation	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LED Communal Lighting	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Woodthorpe & Winchester - CHP	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Colwick Woods Court	<b>NCC</b>	0.000	2.500	(2.500)	0.000	0.000	0.000	0.000
Management Fee	<b>NCH</b>	(0.070)	0.125	(0.075)	0.050	0.050	(0.200)	(0.120)
		<b>(0.070)</b>	<b>2.625</b>	<b>(1.575)</b>	<b>1.050</b>	<b>1.050</b>	<b>(4.200)</b>	<b>(1.120)</b>
<b><u>Modernising Housing For Older People</u></b>								
Independent living Re-Design	<b>NCH</b>	0.100	(0.100)	0.000	0.000	(0.050)	(0.100)	(0.150)
Independent Living Re-Designation	<b>NCH</b>	0.014	(0.014)	0.000	0.000	0.000	0.000	0.000
Carnforth Court Major Alterations	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mobile Scooter Stores	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Refurbishment Of Sheltered Housing Scheme	<b>NCH</b>	0.030	(0.030)	0.000	0.000	0.000	0.000	0.000
Management Fee	<b>NCH</b>	0.007	(0.007)	0.000	0.000	(0.002)	(0.005)	(0.006)
		<b>0.151</b>	<b>(0.151)</b>	<b>0.000</b>	<b>0.000</b>	<b>(0.052)</b>	<b>(0.105)</b>	<b>(0.156)</b>

<b>PROGRAMME AND SCHEME</b>	<b>Approval</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>TOTAL £m</b>
<b><u>Decent Neighbourhoods</u></b>								
City Wide Environmentals - AREA CAPITAL FUND	<b>NCH</b>	0.324	(0.324)	0.000	0.000	0.000	(1.000)	(1.000)
Estate/Area Impact works	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(1.000)	(1.000)
Paving Works - AREA COMMITTEE SCHEMES	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(0.360)	(0.360)
Garage / Outbuildings - CITYWIDE	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(1.166)	(1.166)
Management Fee	<b>NCH</b>	0.016	(0.016)	0.000	0.000	0.000	(0.176)	(0.176)
		<b>0.340</b>	<b>(0.340)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(3.702)</b>	<b>(3.702)</b>
<b><u>Existing Stock Investment</u></b>								
Major Void Works - DLO	<b>NCH</b>	0.000	0.000	0.000	0.000	0.000	(2.400)	(2.400)
Fire Damaged Properties - DLO	<b>NCH</b>	(0.060)	0.000	0.000	0.000	0.000	(0.100)	(0.160)
Victoria Centre Roof	<b>NCH</b>	0.116	(0.116)	0.000	0.000	0.000	0.000	(0.000)
Victoria Centre External Refurbishment	<b>NCC</b>	0.000	0.000	3.000	2.000	(3.400)	(1.600)	0.000
Management Fee	<b>NCH</b>	0.005	(0.005)	0.150	0.100	(0.170)	(0.080)	(0.000)
		<b>0.061</b>	<b>(0.121)</b>	<b>3.150</b>	<b>2.100</b>	<b>(3.570)</b>	<b>(4.180)</b>	<b>(2.560)</b>

<b>PROGRAMME AND SCHEME</b>	<b>Approval</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>TOTAL £m</b>
<b><u>Building a Better Nottingham</u></b>								
Lenton - DECOM, DEMO & NEW BUILD	<b>NCC</b>	(0.279)	0.279	0.000	0.000	0.000	0.000	0.000
Cranwell Road & Meadows Q Blocks Leaseholder Acquisitions	<b>NCC</b>	(0.002)	0.000	0.000	0.000	0.000	0.000	(0.002)
Cranwell Road Flats - DECOM, DEMO & NEW BUILD	<b>NCC</b>	0.514	(0.514)	0.000	0.000	0.000	0.000	(0.000)
Meadows Q Blocks - DECOM, DEMO & NEW BUILD	<b>NCC</b>	(0.078)	(0.055)	0.000	0.000	0.000	0.000	(0.133)
Rehousing Costs	<b>NCC</b>	0.114	2.145	0.000	0.000	0.000	0.000	2.259
Demolition	<b>NCC</b>	0.124	(0.087)	0.000	0.000	0.000	0.000	0.037
Ragdale Road - DEMO & NEW BUILD	<b>NCC</b>	0.209	(0.209)	0.000	0.000	0.000	0.000	(0.000)
Meadowvale Road - DEMO & NEW BUILD	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Aspley JSC / Stepney Court - DECOM, DEMO & NEW BUILD	<b>NCC</b>	0.445	(0.445)	0.000	0.000	0.000	0.000	0.000
Affordable Homes - Garage Sites - DECOM, DEMO & NEW BUILD	<b>NCC</b>	1.485	(1.485)	0.000	0.000	0.000	0.000	(0.001)
New Build Phase 1 - UNALLOCATED	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
New Build Phase 2 - UNALLOCATED	<b>NCC</b>	0.000	(2.250)	1.242	(0.879)	0.000	0.000	(1.887)
Morley School - DECOM, DEMO & NEW BUILD	<b>NCC</b>	0.250	(0.250)	0.000	0.000	0.000	0.000	0.000
Acquisition	<b>NCC</b>	(0.001)	0.000	0.000	0.000	0.000	0.000	(0.001)
Woodthorpe & Winchester - New Build	<b>NCC</b>	0.081	(0.081)	0.000	0.000	0.000	0.000	0.000
Management Fee	<b>NCH</b>	(0.005)	(0.110)	0.099	(0.044)	0.000	0.000	(0.060)
		<b>2.856</b>	<b>(3.062)</b>	<b>1.342</b>	<b>(0.923)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.213</b>



<b>PROGRAMME AND SCHEME</b>	<b>Approval</b>	<b>2015/16 £m</b>	<b>2016/17 £m</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>2020/21 £m</b>	<b>TOTAL £m</b>
<b><u>Joint NCC / NCH Involvement</u></b>								
Sanctuary Project	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	(0.035)	(0.035)
HRA Shop Investment Strategy	<b>NCC</b>	0.039	(0.039)	0.000	0.000	0.000	0.000	(0.000)
St Anns Estate Action - Stonebridge Park (PHASE 3 & 6)	<b>NCC</b>	0.520	(0.520)	0.000	0.000	0.000	0.000	0.000
Empty Homes	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Office Improvements	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
IT Development Programme	<b>NCC</b>	0.026	(0.026)	0.000	0.000	0.000	0.000	0.000
PV Installation Programme	<b>NCC</b>	0.500	(0.500)	0.000	0.000	0.000	0.000	0.000
Adaptations For Disabled Persons	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	(0.731)	(0.731)
Adaptations For Disabled Persons - <b>DLO</b>	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	(1.269)	(1.269)
Preventive Adaptations For Older People – <b>PAD</b>	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	(0.100)	(0.100)
Grant to NCH for acquisition of Lenton land	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Acquisition Of Sheltered Housing Scheme	<b>NCC</b>	0.000	0.000	0.000	0.000	0.000	0.000	0.000
		<b>1.085</b>	<b>(1.085)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(2.135)</b>	<b>(2.135)</b>
<b>TOTAL</b>		<b>4.454</b>	<b>(2.270)</b>	<b>2.362</b>	<b>1.672</b>	<b>(2.497)</b>	<b>(35.141)</b>	<b>(31.419)</b>

## APPENDIX D

<b>HRA CAPITAL RESOURCES APPLIED</b>							
<b>RESOURCE TYPE</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>TOTAL</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Resources b/f	50.110	28.753	5.574	0.000	1.690	0.724	<b>50.110</b>
Prudential Borrowing	0.000	0.000	4.296	7.174	5.408	7.472	<b>24.350</b>
Major Repairs Reserve	27.078	27.329	27.260	27.066	26.903	26.745	<b>162.381</b>
Grants Capital Grants	2.640	3.272	1.047	0.301	0.000	0.000	<b>7.259</b>
Direct Revenue Financing	5.528	3.717	0.877	0.000	0.000	0.000	<b>10.122</b>
Capital Receipts	1.265	3.604	1.908	0.200	0.200	0.200	<b>7.377</b>
<b>Total resources</b>	<b>86.621</b>	<b>66.675</b>	<b>40.962</b>	<b>34.741</b>	<b>34.201</b>	<b>35.141</b>	<b>261.599</b>
<b>Capital expenditure</b>	<b>57.868</b>	<b>61.101</b>	<b>40.962</b>	<b>33.050</b>	<b>33.477</b>	<b>35.141</b>	<b>261.599</b>
<b>Resources c/f</b>	<b>28.753</b>	<b>5.574</b>	<b>0.000</b>	<b>1.690</b>	<b>0.724</b>	<b>0.000</b>	<b>0.000</b>