

Housing Revenue Account Business Plan 2021-2051

March 2021



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Runnymede
BOROUGH COUNCIL



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Purpose

The Council's Housing Revenue Account (HRA) Business Plan sets the strategic objectives and financial strategy for the management and maintenance of the housing stock held within the Housing Revenue Account, it is published in conjunction with the Asset Management Plan which details the approach to stock management and the forward plan for investment. The Housing Business Centre aspires to provide first class landlord services for tenants and leaseholders and the themes under which this will be delivered are outlined in the plan.

The Settlement Payments Determination 2012 brought into effect further to powers exercised under the Localism Act 2011 requiring stock holding local authorities to produce a 30 year business plan

Summary

This Business Plan will outline the resources currently available to the Council, current substantial reserves, income projections and potential borrowing costs. Expenditure assumptions are made for management and supervision costs, allowances for void rent loss and bad debt and for the substantial ongoing investment in the stock. Significant staged payments (with fixed interest) are due throughout the plan following the refinancing of the stock. A full stock condition survey was carried out in 2019 and the planned maintenance programme generated from this is within the Asset Management Plan.

The HRA owns and manages the largest social housing stock in the Borough, 2850 properties with an annual rent debit for 2021/22 of £16 million. In addition, the Council owns 1214 lock up garages across 102 sites originally built to accompany the residential properties.

For the initial 5 years of the financial plan costs and income can be reasonably forecast using the 2021/22 budget and assumptions for inflation, government guidance on rent setting and predicted planned maintenance costs. Inflation is built into the plan at current low levels however beyond year 5 extrapolation of the income and expenditure is tenuous as a percentage variation in rental income or inflation will have significant impact on the long-term forecast. These aspects that are out of the Council's control mean that the financial modelling beyond year 5 is indicative and will probably need to be adjusted during an annual review.

The current forecast indicates that over the 30 year plan the Council will be able to meet its current liabilities for existing loans and investment in the stock and that there is significant potential for future borrowing to increase the stock and generate further income.

Strategic Context: Legislation, Regulatory Standards and Related Strategies

Legislation

The Local Government and Housing Act of 1989 came into force on 1st April 1990 and this requires the Council to operate a Housing Revenue Account which records separately to any other Council services operated within the General Fund, the income and expenditure on services which are provided primarily for the benefit of the council's own tenants.



In March 2012 Runnymede took advantage of the refinancing opportunity within the 2011 Localism Act to buy itself out of the subsidy system in operation at the time. For a payment of £103,292,000 Runnymede could retain all its rental income instead of paying a proportion of it (£6,860,000 in 2011) to Central Government each year. This debt was financed with a loan from the Public Works Loans Board (PWLb) and the current repayment schedule is as follows:

Year	2021	2026	2031	2036	2041	Total m
Capital Repayment (m)	1.9	10	30	30	30	101.9
Interest Charge (m)	(between 2021 & 2041)					51.4

The settlement was agreed based on an expectation of rental income of £491,964,000 over the 30 years from 2012. This assumed an ongoing annual rent increase however the Welfare Reform and Work Act 2016 imposed a rent reduction in the social sector of 1% per annum for 4 years which has significantly reduced the anticipated income over the period.

From April 2020 the Government's rent policy permits annual rent increases on both social rent and affordable rent properties of up to CPI plus 1 percentage point for a period of at least 5 years. This assumption is built into the 30-year plan but after year 5, a conservative increase in line with inflation is assumed.

In October 2018 the Government issued a Determination lifting the HRA Debt Cap. providing more freedom and flexibility to undertake additional borrowing, subject to the principles of the Prudential Code for Capital Finance in Local Authorities of affordability, sustainability and prudence. This enables Runnymede to increase its social housing stock and provide additional income streams to the HRA for future development as the current reserves would facilitate a limited development capability in addition to the required investment in the existing stock.

The Council published its current [Tenancy Strategy](#) in 2019 and is committed to reviewing this 2 yearly, to ensure that the tenancies being offered in social housing throughout the borough reflect current legislation and housing need in the area. The [HRA Tenancy Policy](#) for Council's housing is determined by this Strategy and is currently under review to be submitted to Housing Committee for approval in June 2021. Since 2012 the Council has been able to offer Flexible or Fixed Term tenancies rather than traditional Secure tenancies (which are still offered for Independent Retirement Living) and this should facilitate best use of stock. The Council recognises the need for a balance between optimising use of its stock, providing households with security whilst creating stable neighbourhoods and communities.



Regulatory Standards

The Regulator of Social Housing sets regulatory standards to cover the operations and financial probity of social housing providers. Not all the standards are applicable to Local Authority Landlords but the objectives of the HRA Business Plan and workstreams detailed within the Housing Business Centre Plan (link here) will ensure that the Council meets and aspires to exceed all these regulatory standards.

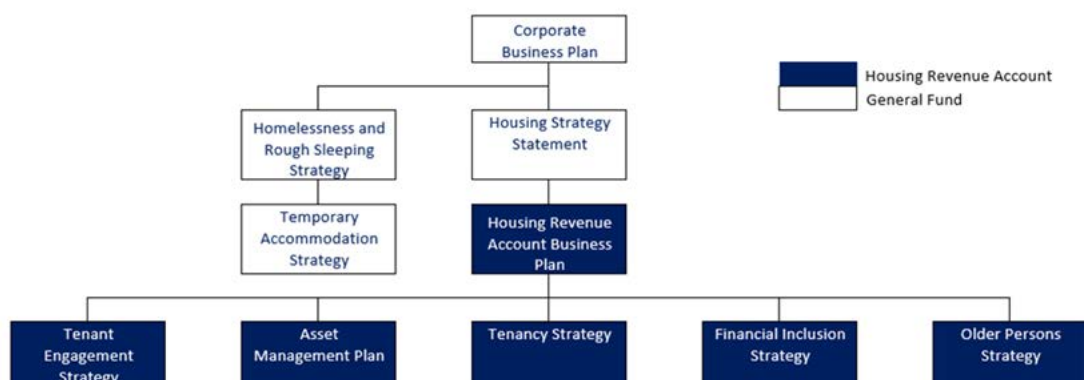
The Economic Standards can be viewed here:

- [Governance and Financial Viability Standard](#)
- [Value for Money Standard](#)
- [Rent Standard](#)

The Consumer Standards can be viewed here:

- [Home Standard](#)
- [Tenancy Standard](#)
- [Neighbourhood and Community Standard](#)
- [Tenant Involvement and Empowerment Standard](#).

Related Strategies



Business Context

Owned Residential Stock

Type of property and bed sizes

Property Type	bedsit	1	2	3	4	5	6+	Total
Bungalow		273	44	1				318
Caravan Council			11	6				17
Flat High Rise		34	28	31				93
Flat Low Rise	14	315	103	14				446
Flat Medium Rise		76	34					110
House Detached			1	4	3	2	1	11
House Semi Detached		2	354	676	69	10	1	1112
House Terraced		3	104	206	15	2		330
House Town House			33	39	11			83
Maisonette			15	92	12			119
Independent Retirement	25	178	8					211
Total	39	881	735	1069	110	14	1	2850

Spread of property type

Type	No of homes	% of stock
Flats	649	23%
Houses	1854	65%
Maisonettes	119	4%
Mobile Homes	17	1%
IRL	211	7%

Age profile of Stock

Built	1930/ 1939	1940/ 1949	1950/ 1959	1960/ 1969	1970/ 1979	1980/ 1989	1990/ 1999	2000/ 2010	2010/ 2020
%	9.01%	13.34%	23.63%	19.06%	11.99%	16.25%	5.29%	0.00%	1.42%

Although general needs flats and maisonettes represent only 27% of the stock, the age of these units, mainly constructed in the 1960s, higher cost of servicing these units and maintaining safety standards in communal areas will result in a focus on these homes within the Business Centre Plan and HRA financial provision for the next 5 years.



Average rents

Housing Weekly "Social" Rent Levels			
No. of Beds	Average weekly rent 2020/21	April 2021 increase (1.5%)	Average weekly rent 2021/22
	£	£	£
Bedsit	67.50	1.01	68.51
1 Bed	92.81	1.39	94.20
2 Bed	111.23	1.67	112.90
3 Bed	121.57	1.82	123.39
4 Bed	132.66	1.99	134.65
5+ Bed	155.72	2.34	158.06

New properties can be let on an Affordable Rent which is 80% of market rent (within the Local Housing Allowance). The rent for each new development will be approved by Housing Committee on submission of the development financial information.

Proportion of Benefit Dependent Tenants

The number of tenants in receipt of benefit has increased over 2 years by 6% with 19% of tenants now receiving Universal Credit. This increase and the payment of the housing element of Universal Credit direct to tenants may impact on rental income as the roll out of the new system continues. Runnymede still has a significant proportion of older residents in receipt of Housing Benefit who will not move to UC under the current rules.

	Tenants in receipt of HB	Tenants in receipt of UC	Total tenants benefit dependent
Apr-19	1414	103	1517
	51%	4%	54%
Jan-21	1143	523	1666
	41%	19%	60%

Links to Runnymede Corporate Business Plan 2016-2020

The HRA Business Plan supports all the themes in Runnymede's [Corporate Business Plan 2016-2020](#) and those in the emerging Corporate Business Plan 2021-2024 delayed due to the Covid 19 pandemic:

- Environmental Sustainability – Good Quality Homes in Well managed Neighbourhoods
- A Revived & Prosperous Economy – New Council Owned Homes, Financial Inclusion Strategy
- Empowered Communities – Increased resident engagement



Aims and Objectives of the HRA Business Plan

Our key themes and ambitions are:

- Optimising Income and Efficiencies
- Good Quality Housing
- New Council owned homes
- Review and modernise provision for older tenants
- Well managed neighbourhoods

Maximising Income

99.2% of HRA stock is let at traditional social rents. Recent new build and acquisitions have been let on Affordable Rents. Some HRA stock is utilised as temporary accommodation for the Homelessness Service enabling households to be placed temporarily in good quality accommodation within the borough if we are unable to prevent them from becoming homeless. Properties which are designated for redevelopment may be utilised as Temporary Accommodation during the planning stage to maintain an income and ensure vacant possession at the appropriate time.

The planned expenditure within the Business Plan is predicated on achieving a forecasted income and the operational target for 2021 is to maintain arrears below 1.75% of the debit. This is essential to the quality of services we aspire to provide, including investing in our current stock, our tenants and provision of more homes.

Robust income collection procedures will focus on maintaining the historic low level of arrears through early intervention and support, utilising legal action as a last resort.

A Financial Inclusion Strategy will seek to maximise income by promoting access to higher incomes and more stable forms of employment. The Business Plan commits resources to assisting tenants into employment and training, to ensure those residents dependent wholly or partly on benefits are receiving their full entitlement and to provide Debt Management advice. A Discretionary Housing Payment fund will be available accessible by HRA tenants not in receipt of Universal Credit or Housing Benefit, ensuring that low income waged households above the benefit threshold can access temporary financial support. Promotion of digital inclusion for all our tenants will facilitate our financial inclusion ambitions.

The level of void properties and relet timescales will impact on income and the Business Plan incorporates an assumption for a void rate of 1.75% from 2025 onwards after a higher rate initially as a result of performance issues with the void contract and impact of Covid 19 restrictions. Operational void targets for 2021 will be set lower than those within the HRA Business Plan.

Void rate targets

2021/22	2022/23	2023/24	2024/25	2025 +
3%	2.50%	2%	2%	1.75



Good Quality Housing

The HRA Asset Management Strategy sets out the approach to management of the stock over the next 5 years.

The current standard applicable for social housing is the [Decent Homes Standard](#) which was last updated in 2006. Within the Asset Management Plan will be the Runnymede Standard as approved by Housing Committee. The current Decent Homes Standard is undergoing a comprehensive sector wide review which is scheduled to be complete by Summer 2022. It is intended that the Runnymede Standard will exceed that which will be mandated by Government and will not require amendment following the publication of the new regulatory standard.

- Full Health and Safety Compliance
- Energy Performance (minimum energy performance of our stock at a C energy efficiency rating by 2030)
- Investment in ensuring Decent Homes
- Stock condition information constantly updated (10% per year)
- Effective and timely procurement of contracts
- Adopt RBC Quality Standard (Decent Homes plus)

New Council owned homes

Access to social housing is limited within the borough, there is high demand for Council properties and this Business Plan includes a commitment to utilising available resources including borrowing to increase the number of HRA homes through development or acquisition. The first objective will be to develop using our own land as this optimises the use of capital for construction however HRA sites are limited and within the borough land values are high. Purchase of developments will be considered where value for money can be achieved and the properties are built to appropriate space standards for social housing.

The Runnymede 2030 Local Plan has an aspiration of 145 additional Council Homes through renewal of existing estates. <https://www.runnymede.gov.uk/localplan>

The Asset Management Plan aims to have an approved programme of delivery of 125 additional units by 2026, these homes will be built to an A rating wherever possible and include alternative heating sources where appropriate.

Review and modernise provision for older tenants

Runnymede aspires to be the social landlord of choice for older residents, providing homes that people are proud to live in. A review of older persons housing options and services and of the current individual IRL schemes will be carried out in 2021 and this will inform an Older Persons Strategy for our tenants.

The Council owns and manages 210 Independent Retirement Living (IRL) homes. Situated in 5 schemes across the Borough, these properties provide traditional older person's accommodation with communal facilities and more intensive management. The Council aspires to provide attractive accommodation options for residents as they age. These will embrace technology and services which can respond flexibly to the needs of residents, from younger active people accessing employment and to those receiving care and support to maintain independence within their home. The Council will be working with existing tenants, Community Services, social housing partners and Surrey County Council to understand the future needs and aspirations of older people in the community who may want to access social housing.



The Council is committed to a co-operative approach with residents needs and aspirations driving this model of provision. A Digital Transformation programme for IRL ensuring all residents have access to WIFI as standard and are enabled through provision of training and equipment to access services, entertainment and family through technology if desired.

The schemes will be dementia friendly, modern accessible environments encouraging use of communal facilities for a range of activities representing the interests of a diverse population. Plans to upgrade communal areas have been delayed due to the Covid pandemic but financial provision has been made for upgrading the facilities and appearance of schemes.

Homes will continue to have alarm systems giving 24-hour support with residents being able to opt in and out of this during their tenancy as required. Against the national trend Runnymede intends to keep a management presence in its older persons housing, the provision may change but there is a commitment to keeping a dedicated team to provide onsite and remote personal support to residents which will not be replaced entirely by technology or a call centre.

Well Managed Neighbourhoods

Improved Estate Services

The exterior and communal areas of our homes will be well maintained through investment, grounds maintenance and cyclical decorations contracts. A rigorous regime of inspections will ensure standards are met and resident safety is a priority.

The current limited Resident Inspector regime will be extended through our digital engagement facilitating high levels of customer engagement and feedback on all elements of the service. Tenants and leaseholders will have access to the detail on the forward investment plan for their home and block.

Investment in a mobile Estate Services Team will ensure high standards of cleanliness and safe environments.

We will continue to invest in the Tenancy Enforcement and Fraud Team, responding to tenant's concerns and dealing proactively with Anti-Social behaviour, keeping the safety and security of residents as a priority.

Through a robust Resident Engagement and Inclusion Strategy we will capture resident feedback and preferences. Customer insight and views will be paramount in shaping service delivery.

Garages

The HRA owns 1214 lockup garages within its residential estates across the borough. The rent from the garages is paid to the General Fund (net of repair costs) as non-residential income. Due to the date of construction the garages are too small for most modern vehicles and some of the garage forecourts require improvement. A full stock condition survey is required for this asset and this will be carried out over 2021 and 2022 for consideration in conjunction with the review of development potential of each site. A strategy for future use of the land including an investment plan to ensure retained garages are well maintained will be developed. Three blocks have already been demolished to provide 12 new homes and a further 10 are planned utilising part of a garage site in Egham. Most sites are not suitable for significant residential development due to their location in the flood plain or close proximity to existing properties, but all development opportunities will be considered as well as potential for alternative usage.



Governance Monitoring and Implementation / Performance Monitoring and Delivery

The HRA Business Plan, Asset Management Strategy and annual capital and revenue budgets will be approved by the Housing Committee. All Development initiatives will require member consent and the Housing Committee will be consulted on strategies and approve policy.

The Housing Committee will meet 5 times annually with special meetings to be convened by the Chair as required. The Chair of the Runnymede Council residents Association is a non-voting co-opted Member of the Committee.

The Runnymede Council Residents Association Committee meets quarterly (suspended during Covid) and holds an Annual General meeting.

A Housing and Enabling Working Party was established in 2020 which has no decision-making powers but informs the work of the Committee and meets 4 times per year with additional meetings as required. Officers may not act upon the direction of the Member Working Party without the authority of the relevant Committee, Sub-Committee, or authorised Officer.

The current objectives for the Member Working party are:

- To ensure that the planned and cyclical works programme begins by August 2021 and is fully resourced and effective for the next five years. (Reporting to Housing Committee where necessary).
- To ensure that a refurbishment of Surrey Towers is put in place
- To review and make recommendations to Housing Committee on the implementation of the HRA regeneration project with indicative costs and timescale.

An agreed set of Performance Indicators covering the Housing Services and linked to the HRA Business Plan delivery will be presented to each Housing Committee

The Council will carry out a Survey of Tenants and Residents (STAR) survey every 2 years, the implementation of a survey module and digital communication suite to our Housing IT system will facilitate opportunities for regular tenant consultation and feedback through personal online accounts as well as traditional methods of communication where appropriate.



Performance Indicator	Target				
	Q1 (Apr-June)	Q2 (Jul-Sept)	Q3 (Oct-Dec)	Q4 (Jan-Mar)	Full year (Apr-Mar)
Satisfaction with the overall Reactive Repairs service received (% of total number of responses returned)	95%	95%	95%	95%	95%
Number of decisions investigated by the ombudsman requiring a remedy by the Council.	0	0	0	0	0
% of stock with a valid safety certification Electrical Installation Condition Report	80%	90%	100%	100%	100%
Percentage of total stock empty at the end of the quarter	2.5% (no)	2% (no)	1.5% (no)	1.5% (no)	1.5% (no)
Average number of calendar days to relet a void property (excludes major works voids)	25	25	25	25	25
Number of tenants with a support plan in place	270	270	270	270	270
Number of households in B&B for more than 2 weeks	4	4	4	4	16
Percentage of homeless cases prevented	50%	50%	50%	50%	50%
Average number of days to close an ASB case	50	50	50	50	50
No of ASB cases closed each quarter* including information on time each case took					
Rent arrears of current tenants as a percentage of rent due	1.75%	1.75%	1.75%	1.75%	1.75%
Percentage of capital programme spend in year	5%	15%	45%	90%	90%

Threats and Risks

The financial modelling in the plan includes some potential variation in income and performance but there are external factors outside the Council's control which may impact on the delivery of the Plan.

- Challenges of Welfare Reform, capped households, universal credit
- Post Covid recession
- Increased turnover of properties
- Further rent reduction imposed by Government
- Changes in legislation / Industry knowledge leading to additional unforeseen expenditure e.g. Fire Safety works

Opportunities

With a service providing first class landlord services the HRA will seek opportunities to provide these services to other organisations and individual property owners, creating an additional income stream to the HRA.

Through agile contract procurement the HRA will obtain value for money in a timely manner, ensuring that quality standards are never sacrificed in the drive to make economies.

Officers will continually seek to identify opportunities for cooperation and partnerships with other organisations.

The HRA will seek Registered Provider status with Homes England in order to access grants for new homes where applicable.

As part of the commitment to providing Carbon neutral homes all opportunities for grants will be explored.

Delivery

The Housing Department aspires to provide high-quality services which incorporate standard landlord functions with additional packages of appropriate support to residents throughout the life of their tenancy. With an increasing number of residents experiencing multiple deprivations and complex needs increased investment has been needed in staffing resources, including specialist roles for tenancy sustainment. There will be an increase in resident engagement with services driven by resident aspirations and needs. In order to fulfil these objectives this HRA Business Plan makes financial provision for investment in the stock and services and identifies resources required to ensure that the housing professionals involved in provision of services are adequately trained, have access to appropriate equipment, knowledge and resources and essentially are supported by the organisation throughout their career in provision of essential front line services.

As an organisation on the edge of London RBC has experienced difficulties over the past 5 years in recruiting and retaining experienced staff to key roles. This Business Plan has a commitment to engaging with the Council's apprentice programme and maximising opportunities for career progression and advancement internally through training and education opportunities. This is the asset management plan for ensuring professional competent staff are in place to provide excellent services.

Looking to the future

The Social Housing white paper published in 2020 outlines the standard expectations for social housing tenants. The financial provision and service commitments within this HRA Business Plan to deliver enhanced landlord services which will meet and exceed these expectations.

- ***To be safe in your home.*** We will work with industry and landlords to ensure every home is safe and secure.
- ***To know how your landlord is performing,*** including on repairs, complaints and safety, and how it spends its money, so you can hold it to account.
- ***To have your complaints dealt with promptly and fairly,*** with access to a strong ombudsman who will give you swift and fair redress when needed.
- ***To be treated with respect,*** backed by a strong consumer regulator and improved consumer standards for tenants.



- *To have your voice heard by your landlord*, for example through regular meetings, scrutiny panels or being on its Board. The government will provide help, if you want it, to give you the tools to ensure your landlord listens.
- *To have a good quality home and neighbourhood to live in*, with your landlord keeping your home in good repair.

In order to ensure that Runnymede meets these standards, additional resources are included within this Business Plan for resident engagement and provision of a comprehensive suite of documents covering all strategic and operational activity which will be subject to regular review, audit and additions.

The Housing Service will be signing up to ISO 9001 from April 2021. The ISO 9000 suite of quality management systems (QMS) is a set of standards that assists an organisation to ensure they meet customer and other stakeholder needs within statutory and regulatory requirements.

The Runnymede Council Residents Association Committee is a traditional method of tenant participation which meets quarterly and holds an Annual General Meeting. The Chair of the Committee is active and engages with the Council on a range of subjects but whilst older residents are well represented at this forum the RCRA has struggled to engage a wider membership. There are no active tenant associations within the Council stock although funding and officer support has been available. Resident engagement and inclusion will be an important element in the following themes in this Business Plan

- Good Quality Housing
- Review and modernise provision for older tenants
- Well managed neighbourhoods

Through provision of online accounts for residents they will be provided with a forward plan for the maintenance of their own property and if relevant block maintenance and cleaning regimes. We will be transparent in the publication of health and safety information and involve residents in the formulation of plans for their homes.

An Annual Report will be published providing financial and performance information, regular newsletters will be used to disseminate important information and update residents on projects, policies and opportunities available to them through our Financial Inclusion Strategy.

The Housing Complaints process complies with the Housing Ombudsman Complaints Handling Code and we will ensure that complaints are taken seriously, properly investigated and that the complainant receives a full response to their concerns. There are two stages ensuring that each complainant has the benefit of a review by a second more senior officer.

Whilst traditional communication methods will be maintained for those who choose to opt out of our digital services, we will aim for 90% of our tenants to manage their general tenancy issues through an online account within 5 years. This will enable extensive and regular consultation on all aspects of our service.

Virtual meetings and focus groups will be used to share information with residents and solicit feedback on all aspects of our services.



Financial Position to Support the HRA Business Plan

Current position as reported to January 2021 Housing Committee:

Assumptions within the Financial Forecast

Data	Position
Opening housing stock	2,850
Opening Debt Allocation	£101,956,000
Rental Income year 1 (2021/22)	£17,233,000
Indicative additional borrowing capacity	£25,000,000
Indicative additional units	125
Reserves @ 1/4/21	£33,793,000
Assumptions	
Rent Increase Years 1 to 4 (2024/5)	2.5%
Rent Increase Years 5 to 30 (2025/26)	2%
Void rate from year 6	1.75%
Annual void rent Loss from year 5 (at 1.75%)	£349,000
Bad debt provision	£90,000
Assumed inflation rate for supervision & management costs	2%
Assumed inflation rate for repairs costs	2.75%
Planned Investment Spend in years 1 to 7 (Decent Homes compliance)	£62,100,000
Right to Buy Sales	4 per annum

Loan Schedule and Interest Rates

Principal sum	Term	Interest rate	Annual interest	Maturity	Payment	Year
1,956,000	10	2.40%	46,944	Mar-22	1,956,000	2021/22
10,000,000	15	3.01%	301,000	Mar-27	10,000,000	2026/27
10,000,000	20	3.32%	332,000	Mar-32		
10,000,000	20	3.32%	332,000	Mar-32		
10,000,000	20	3.32%	332,000	Mar-32	30,000,000	2031/32
10,000,000	25	3.44%	344,000	Mar-37		
10,000,000	25	3.44%	344,000	Mar-37		
10,000,000	25	3.44%	344,000	Mar-37	30,000,000	2036/37
10,000,000	30	3.50%	350,000	Mar-42		
10,000,000	30	3.50%	350,000	Mar-42		
10,000,000	30	3.50%	350,000	Mar-42	30,000,000	2041/42
101,956,000						



Current position as reported to January 2021 Housing Committee:

HRA balances

HRA estimated balances and reserves £m		
Description	March 2021	March 2022
HRA working Balances	£28.2m	£31.5m
Major Repairs Reserve	£5.0m	£3.5m
Proceeds from Right to Buy Sales		
- Sums set aside for debt repayment	£2.8m	£1.04m
- Retained 1-4-1 receipts (for new build)	£0.5m	£0.0m
HRA PWLB loan borrowings	£102.0m	£100.0m

Major Works Commitment Approved 2021/22

Major Works budget for 2021/22	
	£000
Major Structural Works	
Fire Risk Associated works – (Addlestone flats)	696
Asbestos Survey – Including costs of asbestos removal works	220
Internal Works Programme	
Re-provision of commercial boilers in IRL's	200
Electrical Rewires	220
Communal Fire detection services	80
External Works Programme	
Replacement windows and doors	50
Replacement rainwater goods (Gutters, downpipes etc)	50
Provision to replace failing roofs (pitched & flat)	50
Supervisory Costs	
Contract management & procurement	244
Total Special Works budget in 2021/22	1,810

Right to Buy Sales Capital Income / Revenue Loss

Average sale price	195,000	
Paid to government	108,850	56%
Debt redemption	40,650	21%
Retained for 1 for 1	45,500	23%
Assume 4 sales p.a.	780,000	
Retained for 1 for 1	182,000	

Summary of 30 year forecast as at February 2021

	0	1	2	3	4	5
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000'	£'000'	£'000'	£'000'	£'000'	£'000'
<u>Income</u>						
Rent Income (net of voids)	(16,464)	(16,716)	(17,496)	(18,250)	(18,934)	(19,597)
Other Income	(529)	(497)	(507)	(517)	(527)	(538)
Investment Income	(48)	0	0	0	0	0
	(17,041)	(17,212)	(18,003)	(18,767)	(19,461)	(20,135)
<u>Expenditure</u>						
Supervision & Management	4,784	5,123	5,272	5,378	5,485	5,595
Repayment of PWLB Debt	0	1,956	0	0	0	0
Less aside from RTB receipts	0	-1,956	0	0	0	0
<u>Housing repairs</u>						
Cyclical Repairs	897	949	975	1,001	1,029	1,057
Responsive Repairs	735	765	786	808	830	853
Void Repairs	527	527	541	556	572	587
Disabled Adaptations	150	200	206	211	217	223
Major works	2,720	4,376	9,199	9,452	9,712	9,979
	3,426	3,426	3,379	3,379	3,379	3,379
	13,239	15,366	20,358	20,785	21,223	21,673
<u>Net Surplus</u>	(3,802)	(1,847)	2,355	2,018	1,762	1,538
Capital Expenditure	667	4,103	4,820	4,820	4,820	6,820
Opening Balance 1 April	(30,658)	(33,793)	(31,537)	(24,362)	(17,524)	(10,942)
Turn in year	(3,135)	2,256	7,175	6,838	6,582	8,358
Closing Balance 31 March	(33,793)	(31,537)	(24,362)	(17,524)	(10,942)	(2,584)



	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure - Revenue	15,366	20,358	20,785	21,223	21,673	6,879	23,026	23,511	24,009	24,519	54,250	24,584	25,134	26,496	27,097
Expenditure - Capital	4,103	4,820	4,820	4,820	6,820	0	0	0	0	0	0	0	0	0	0
	19,469	25,178	25,605	26,043	28,493	6,879	23,026	23,511	24,009	24,519	54,250	24,584	25,134	26,496	27,097
Income	(-17,212)	(-18,003)	(-18,767)	(-19,461)	(-20,135)	(-20,887)	(-21,268)	(-21,657)	(-22,052)	(-22,454)	(-22,864)	(-23,281)	(-23,706)	(-24,138)	(-24,579)
(Surplus) / Deficit	2,256	7,175	6,838	6,582	8,358	(-14,008)	1,758	1,855	1,957	2,065	31,386	1,302	1,428	2,357	2,518
Opening Balance	(33,793)	(31,537)	(24,362)	(17,524)	(10,942)	(2,584)	(16,592)	(14,834)	(12,979)	(11,022)	(8,958)	22,428	23,730	25,159	27,516
Closing balance	(31,537)	(24,362)	(17,524)	(10,942)	(2,584)	(16,592)	(14,834)	(12,979)	(11,022)	(8,958)	22,428	23,730	25,159	27,516	30,034

	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure - Revenue	48,806	18,423	18,827	19,242	19,667	54,297	24,623	25,222	25,836	26,465	24,209	24,792	25,389	26,001	26,629
Expenditure - Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	48,806	18,423	18,827	19,242	19,667	54,297	24,623	25,222	25,836	26,465	24,209	24,792	25,389	26,001	26,629
Income	(-25,027)	(-25,483)	(-25,948)	(-26,420)	(-26,902)	(-27,392)	(-27,891)	(-28,415)	(-28,948)	(-29,492)	(-30,045)	(-30,609)	(-31,184)	(-31,769)	(-32,366)
(Surplus) / Deficit	23,779	(-7,060)	(-7,120)	(-7,178)	(-7,235)	26,905	(-3,268)	(-3,193)	(-3,113)	(-3,027)	(-5,836)	(-5,818)	(-5,795)	(-5,768)	(-5,737)
Opening Balance	30,034	53,813	46,753	39,632	32,454	25,219	52,125	48,857	45,664	42,551	39,524	33,688	27,870	22,075	16,307
Closing balance	53,813	46,753	39,632	32,454	25,219	52,125	48,857	45,664	42,551	39,524	33,688	27,870	22,075	16,307	10,570

