30 Year HRA Business Plan

March 2023

Contents

1. Executive Summary

This HRA Business Plan sets out our strategic plan for managing and maintaining the council's affordable housing stock. It sets out in detail our short to medium term plans and priorities for our housing and asset management services (5 years) and provides a long term (30 year) forecast on stock investment and financial planning.

An important feature of the rental income coming into the HRA is that it will be ring-fenced and must be self-sustaining. The Account cannot be loss-making and require financial support from other council resources. Any surpluses, however, must be re-invested into the housing service and not used to provide cross-subsidy type support to the council's General Fund, which is used to cover the cost of the council's other core services.

It is critical that the council establishes a sound financial baseline and underpinning assumptions for its HRA and understands the financial implications of future delivery options. This Business Plan and Forward Investment Plan will cover these points.

Within this HRA Business Plan we seek to maximise the investment in our housing stock, whilst considering how we can acquire and build further units to assist to meet the housing needs of our communities moving forward.

Based on the current council housing stock, interest rates and level of asset depreciation, the opening balance for the HRA at April 2023 will be £503,000, subject to final outturn 2022/23.

Our initial investment plans for the current stock are estimated at c£14.3m (at today's prices) over the next 30 years. This is still equivalent to expenditure on our homes of over £35,000 per property over the 30 years of investment.

In order to achieve a balanced HRA, we will have to continually review our proposed future activity in terms of maintenance and acquisitions to reflect changes that occur to our housing stock, changes in legislation, new requirements of Government and the Social Housing Regulator. We will also seek to be as effective as possible in collecting our rental income and maximising additional sources of funding, as well as constantly reassessing our expenditure priorities.

For these reasons, this document articulates the council's current outlook, but the council will review its Business Plan every 5-years to re-assess both financial forecasts and future development ambitions.

However, the focus of this current Business Plan represents an ambitious step in opening the HRA and driving housing delivery forwards to achieve substantial growth in its housing stock.

2. Introduction

2.1 Our HRA Business Plan

The HRA Business Plan sets out our strategic plan for managing and maintaining the council's social housing stock. It sets out in detail the council's short to medium term plans and priorities for our housing and asset management services (5 years) and provides a long term (30 year) forecast on stock investment and financial planning.

By way of context, the council transferred its housing stock of 25,552[1] units to Incommunities in 2003; As a result, the council no longer required a Housing Revenue Account (HRA).

In 2010, the council began directly building and retaining newbuild affordable housing outside of the constraints of a HRA. The council was given a Ministerial Direction to allow it to build and retain housing stock, without the requirement of an HRA. Subsequently, the council undertook further direct newbuild development of affordable homes between 2010 and 2020. The council now owns 406 units of accommodation.

Changes to Government Regulations introduced during 2019 now means that any council with more than 200 units of housing, must open a HRA. Following discussions with Government and the council's external auditors, the date for opening the HRA was agreed as April 2023.

The Business Plan builds upon the HRA review conducted in Sep 2021, which concluded that the council's next steps should be to agree a 30-year costed business plan which includes:

- A stock condition survey and produce an updated planned maintenance programme.
- Updates the stock valuation.
- Provides an assessment of the impact of likely Right to Buy (RTB) applications.
- Initiate a procurement exercise for the Management and Maintenance contract for general needs housing.
- An evaluation of the scalability of the HRA and delivery options

The above steps have successfully been taken to assemble all of the relevant information which will culminate in the opening of the HRA and adoption of the accompanying Business Plan.
The opening of the HRA comes at a time of considerable pressure and uncertainty on council finances, as well as those of the public and tenants. This creates the need for careful planning in order to ensure that a balanced and viable HRA can be opened. Inflation, energy costs and the cost-of-living crisis will all impact on the HRA upon opening.

[1] LT116.ods (live.com)

Current Housing Stock and Management / Maintenance Arrangements
The council currently owns 406 properties for rent and shared ownership across the district.

Table 1: Total council housing stock

Type	As at April 2022	Total
General Needs Accommodation	337	406
Extra Care / Independent Living	69	

The full breakdown and location of the 406 properties can be seen below:

Table 2: Housing stock by scheme / location

Scheme Name	Number of homes
Avenham Way	16
Beech Grove	50
Braithwaite	36
Canary Drive	36
Cliffe Lane West Phase (1)	27
Cliffe Lane West Phase (2)	31
Keighley Rd housing (Bronte)	39
Extra Care (Keighley Rd site)	69
Fieldway	15
Longfield Drive	42
Ripley Street Phase (1)	21
Ripley Street Phase (2)	15
Valley Drive	9
Total	406

These properties have been managed through two primary contracts:

- Incommunities for all general needs properties and
- Mears Plexus for the extra care/independent living schemes.

The Incomunities contract is due to expire in March 2023, but negotiations are underway to extend this contract in order to align with the Mears contract, which expires in 2024. A full procurement exercise will be undertaken in order to ensure that effective and good value services are in place with effect from April 2024.

The average price of a home in Bradford District was 168,936 in the year ending March 2022.

Since the introduction in 2012 of Housing Revenue Account Self-Financing rules, the council has greater degree of control over the use and management of the HRA. Self-financing allows decision making at a local level to drive planning for investment in housing stock and set spending priorities in line with local demand.

Bradford District has an age distribution of:

- 26.3% between 0 to 17.
- 58.6% between 18 to 64.
- 15% over 65.

We continue to consider:

- Analysis of our stock and the services we provide so that we can base our future plans on a robust and sustainable basis.
- Develop a new longer-term management agreement with external providers.
- Working up a range of plans for potential future investment in new homes which match the needs of our communities.
- Thinking through how the new future for council housing can help the district as a whole to deliver our overall objectives, particularly around health, economy and regeneration.

The Housing green paper “A new deal for social housing” was issued in 2018 presenting a new set of challenges for the HRA, in respect of, community engagement and consultation, increased fire protection and accountability for buildings from design and throughout occupation. This was followed up by the white paper “The Charter for Social Housing Residents” which was issued in 2021 reinforcing this through regulatory changes. We embrace these changes, and our business plan sets out how we will meet these.

Nationally, attention has returned to the country’s severe housing shortage and government has signalled a renewed support for councils seeking to develop new homes. A further step towards this was the lifting of the cap on borrowing to help councils to develop new housing and we have been working towards identifying prudential rules to ensure that whatever borrowing is undertaken is affordable and sensible.

This business plan sets out our ambitions for the HRA to deliver our ‘High Growth’ scenario of 431 new homes by 2028. This ambitious target was derived from an options appraisal and subsequent consideration of the current financial position and the council’s obligations to meet need. The process of selecting a growth target is outlined in more detail in section 8. The resulting decision is to pursue the most ambitious target with this HRA Business Plan.

New homes may be built or bought directly from developers as part of S106 agreements. However, we will continue to explore opportunities to innovate to deliver ‘the right homes in the right places’.

In terms of employment status:
- 68% are employed.
- 8% are self-employed.
- 3% are unemployed.
- 21% economically inactive

Housing within the Bradford District is:
- 65% owner occupied.
- 19.6% privately rented.
- 15.4% socially rented.

This Business Plan identifies how the service will be delivered as well as:
- What it costs and how we think the finances will develop in the future.
- Showing that our plans are laid on firm foundations, are sustainable and viable.
- What additional resources we might have for investment.
- What our priorities are for investment.
- A summary assessment of the key risks in the delivery of the business plan with actions to mitigate these risks.

2.2 About the City of Bradford Metropolitan District

Bradford is a diverse and growing district with a resilient community, a higher education offer and a diverse economy. We have been awarded the honour of being the UK's 2025 City of Culture with the drive and the tenacity to deliver a sustainable growth programme.

Bradford is the fifth largest local authority in England in terms of population and the Bradford Metropolitan District Council area covers approximately 141 square miles, stretching across Airedale, Wharfedale and the Worth Valley as well as Bradford City and the towns of Bingley, Ilkley, Keighley and Shipley.
Bradford has a young, fast-growing and dynamic workforce, including a high proportion of self-employment and new business start-ups. In addition, the district is home to the HQs of major national companies including Morrisons, Yorkshire Building Society, Provident Financial, and Yorkshire Water.

The district has a population of 546,400, which is an increase of 4,300 since the mid-2020 population estimates were published. 26.3% of the district's population is aged under 18 and is the fourth highest percentage in England. Bradford has a median age of 36.7 which is lower than the median age for England (40.2) and Yorkshire and the Humber region (40.2)"

These statistics demonstrate the opportunities that Bradford District possesses and equally it demonstrates the communities' diverse & wide-ranging housing needs. It is imperative that this Business Plan responds to this wider context.

3. About our Vision for Housing

3.1 The Councils Vision and Values

The 'Our Bradford Council Plan 2021-25' identifies the following 7 priority areas:

1. Better Skills, More Good Jobs, and a Growing Economy

2. Decent Homes
3. Good Start, Great Schools
4. Better Health, Better Lives
5. Safe, Strong and Active Communities
6. A Sustainable District
7. An Enabling Council

The council's housing and associated services play a pivotal role in assisting us with achieving our priorities. The Housing Strategy 2020 - 2030 sets the vision that 'everyone in Bradford District should have a place to call home which meets their needs and in which they can thrive'. The vision is to be achieved through 3 core objectives:

1. **More homes**:
    - Increase house building to 1,703 Net New housing completions per annum.
    - Deliver more family homes,
    - Increase the supply of affordable homes to a minimum of 411 per annum.
    - Reduce the number of empty homes.
2. **Quality homes and neighbourhoods**:
    - deal with poor stock quality,
    - address the health impacts of poor-quality stock,
    - promote design that has a positive impact on health and wellbeing and minimises any environmental impact.
3. **Homes for all**:
    - help residents to improve access to housing, by early intervention and homelessness prevention & reducing length of stay in Bed & Breakfast to no more than 7 nights (average)
    - support specialist accommodation and
    - help vulnerable people maintain tenancies.

Much progress has been made in delivering the original priorities including the delivery of new affordable homes. However, this business plan seeks to further address the 3 main objectives in that we are managing existing stock, acquiring and developing new housing stock.

3.2 Homelessness and Rough Sleeping Strategy

In 2020 the council published its Homelessness and Rough Sleeping Strategy 2020-25; The key themes for the strategy are:

- Early intervention and prevention of homelessness
- Deliver support in the right way at the right time to people who are homeless.

- Tackle rough sleeping.
- Improve access to housing for people who are homeless.
- Work better together.

The Housing Solutions Team also provide advice to residents and have a strong focus on preventing homelessness. In 2018 new legislation brought around changes to the assessment of applications and monitor outcomes. The Homeless Reduction Act places two additional responsibilities for the council:

- The prevent duty – to intervene earlier.
- The relief duty – to offer more support and advice.

The council will seek to deliver the right type of accommodation through its HRA in order to tackle these issues and we have detailed in section 6 how we plan to do so.

3.3 Stock Information

The council's stock is relatively new, built between 2011 and 2020 consisting of 113 flats (of which 69 are contained within one supported unit) and 293 houses.

The standard of construction exceeds that required of building regulations with many featuring solar panels, enhanced insulation and electric vehicle charging points.

Rents are charged at either social rent or affordable rented levels.

4. Current Key Risks & Opportunities

4.1 Government Rent Policy

During November 2022, the Chancellor delivered the Governments' Autumn statement, in which it was announced that social and affordable rent increases will be capped at 7% as of April 2023. The announcement has been widely welcomed by the social housing sector, as the potential increase of rents up to a ceiling of 7% will give social housing landlords scope to continue to deliver their vital services and development programmes without the need to increase rents to the usual CPI plus 1% level, which during a cost-of-living crisis could have significant financial implications for tenants. It also provides landlords with the ability to balance their finances through a very difficult time for all.

Overall, the rent cap appears to have struck an appropriate balance between the needs of landlords and tenants, establishing a rent increase below CPI while enabling landlords to continue delivering core services, improvements and quality homes for tenants and residents, both now and into the future.

This new rent standard will control future rent increases and rent setting policies. The financial projections within this business plan are prudent and will comply with the standard moving forward.

4.2 Energy Efficiency

In March 2022, the West Yorkshire Combined Authority (WYCA) commissioned Energy Savings Trust (EST) to conduct some work on the overview of all of Bradfords' Housing Stock. The resulting general trends were that older homes have lowest energy efficiency and highest retrofit costs, social housing is more efficient than private sector and Bradford has a higher percentage than the regional average of households who have bills >£1,250 pa. However, levels of fuel poverty were consistent with the region but only slightly higher than the national average. This work will assist Bradford to target homes for retrofit measures to improve energy efficiency and reduce levels of fuel poverty across the district.

In relation to the councils directly owned stock, all the homes have been constructed since 2011, so the homes have complied to the relevant SAP and building regulations. These include SAP 2009 which applies from October 2010 for compliance with building regulations in England & Wales (Part L); SAP 2009 applied to the production of Energy Performance Certificates (EPC's) from 17 April 2011.

All of the current stock is therefore comparatively new and has been constructed to a high standard with energy efficiency EPC rating C or above. Although this indicates no direct requirement for energy efficiency measures on these properties at this time, The council will keep this under review and will make the necessary allocation of funds to maintain compliant energy efficiency standards.

4.3 Right to Buy

The right to buy (RTB) policy was introduced in the 1980s, but due to dwindling sale volumes and the then Government wishing to increase the numbers of home ownership it was reinvigorated to incentivise tenants to purchase their homes by increasing the maximum discount that can be applied to the property's value and the time in residency to qualify. The reinvigorated Right to Buy scheme is both a risk and an opportunity for Bradford.

The discounts available to tenants are attractive so Bradford has seen a high level of interest in RTB applications. This is a risk as it has the potential to diminish properties from the stock and the associated rental income.

However, under Government guidance, the council is able to apply for an exemption to the restrictions on pooling the proceeds of RTB sales. This is due to the fact that all of the council stock has been constructed post-2008. Therefore, the council has the opportunity to retain all of its right to buy receipts, which can be used to support the delivery of new affordable homes.

Within the early years of this business plan, the modelled effects of RTB sales on HRA are significant, as demonstrated in the sensitivity analysis below in Section 8.7. Therefore, RTB sales present a clear and tangible risk to the HRA business plan. The council will closely monitor the level of interest and forecasted level of RTB sales throughout this process. This will help it to adjust financial projections accordingly in future business plan updates.

4.4 Welfare Reform

Welfare reform continues to be a risk to the council and the sustainability of the HRA account, as large numbers of current and future claimants struggle to manage financially. This is projected to worsen as we begin to see the real impact of increased interest rates, rapidly increasing energy bills and the cost-of-living crisis take effect on our communities.

There are implications for rent recovery, the bad debt provision and a potential increased demand for temporary accommodation and council housing as more households lose private rented accommodation on affordability grounds.

The council's Customer Support Team provide professional support to vulnerable residents by assisting them with applications supported by welfare benefit specialists who provide one to one advice.

4.5 Demand for Housing

The Bradford Local Plan is currently at Regulation 18, 'preferred options' stage. As part of the supporting evidence base, the Strategic Housing Market Analysis 2019 identified a need for delivery of 1,700 homes per annum during the plan period, 411 of which are required to be affordable housing.
The council holds a housing register of people needing social housing assessed into categories of need to assist with allocating homes, including those within the HRA.

The bandings and those on the register as of December 2022:

Count of HRA - Min Bed Size	1	2	3	4	5	6	7	Grand Total
Band 1	701	278	217	45	4	1		**1,246**
Band 2	1,094	789	707	196	11			**2,797**
Band 3	3,059	1,684	1,158	273	30	2	1	**6,207**
Bradford Property Shop	3,738	1,893	802	122	11			**6,566**
Grand Total	**8,592**	**4,644**	**2,884**	**636**	**56**	**3**	**1**	**16,816**

There were also 154 households in temporary accommodation as of 30th June 2022[2].

[2] Detailed_LA_202206.ods (live.com)

4.6 Building Standards & Safety

In light of the Grenfell Tower fire in June 2017 the Fire Safety Act 2021 and the Building Safety Bill, and the Social Housing White Paper have further highlighted safety issues that require addressing in the affordable housing sector.

The recent tragic death of two-year-old Awaab Ishak has highlighted issues around the health impacts of damp and mould in affordable housing and has been referred to as ‘a defining moment in the social housing sector’.

The council has factored in compliance works and building safety needs such as fire safety, ventilation measures and the prevention of long-term damp & mould issues. This will include ongoing electrical inspections, fire risk assessments and any recommended actions to advance the health and wellbeing of our tenants.

The precise funding requirements for the building safety works are yet to be determined, however we have built-in sufficient contingency to account for such measures. Further work is required to determine the specific additional safety and wellbeing measures.

The Building Safety Bill will also impose additional duties on Bradford but the scope of which are still to be determined. We have, however made some pro-active provisions within our plan to deliver safety works.

4.7 Implications of The Social Housing White Paper

As referenced earlier, in the aftermath of the Grenfell Tower Block Fire the Government consulted on their green paper for social housing in England.

Recent updates suggest that proposals to implement league tables for social housing providers has been abandoned (at the request of tenant representatives) however government are still keen on stronger use of Key Performance Indicators (KPI’s) for accountability. However, other key proposals may still be implemented which could impact on the HRA include:

- Consideration to scrapping of the current ‘serious detriment’ test, for tougher consumer regulation
- New home ownership options such as allowing tenants to buy as little as 1% of their property each year through shared ownership (applicable to new shared ownership purchases only).
- Reversal of plans to force social landlords to offer fixed term tenancies rather than lifetime tenancies in social housing.
- The potential introduction of a new stock transfer programme from councils to ‘community-led’ housing associations
- The return of guaranteed debt funding to help the development of affordable homes, and longer term ‘strategic partnerships’ for developing housing associations.
- Implementation of the requirements from the Fire Safety Act, and the Building Safety. This involves a new standard for Fire Risk Assessments, Fire Door checks, and providing a Building Safety Manager.

The following white paper took further steps with the intent and approach for both a new set of Consumer Standards and proactive consumer regulation, which have now been published.

The four, short, outcome-based Consumer Standards comprise:

- **Home**: Keep homes safe, decent and in a good state of repair
- **Tenancy**: Let homes and manage tenancies in a fair, transparent and efficient way
- **Neighbourhood and Community**: Keep the wider area clean and safe, help to tackle anti-social behaviour and promote community well-being.
- **Tenant Involvement and Empowerment**: Understand and respond to the diverse needs of tenants, provide choice and opportunities for involvement, resolve complaints fairly and promptly.

Risk Analysis:

- **Right to Buy sales -** The highest risk to this business plan is essentially the prospect of increased right to buy purchases. The risk outcome would be loss of stock which subsequently depletes the amount of rental income flowing into the business plan. This is highlighted by the current rate of RTB applications within the current financial year. A total of 10 applications have been received, all of which may not materialise. However, the projected rate of RTB compared with the current assumption of only 4 RTB sales per year, makes this the highest risk item which will need to be monitored very closely.

- **Impact on Meeting Need** – There is a lesser risk that we will fail to meet need from the register. However, the impact on meeting need must be balanced with the view that the HRA is only delivery model which the council has at its disposal. There are other models to meet need: E.g. the private market, S106 development, public/private partnerships etc. Any discussion about the % of need we are meeting must recognise that the HRA is contributing to the bigger picture of total housing market delivery. With this in mind, this business plan must still be alert to this risk and pursue the option which makes the biggest impact on need within its options appraisal.

  Continued close working with the housing options team will help to mitigate this risk and ensure that the homes are of the correct size, type, and location to meet need.

5. Housing Services

5.1 Housing Operations

The council currently commissions InCommunities to administer Housing operations for the General Needs stock on behalf of the council. The range of services include:

- Tenancy and temporary accommodation management
- Rents and service charge collection
- Allocations and lettings
- Leasehold management
- Housing options and advice
- Repairs and maintenance including disabled adaptions and energy efficiency.
- Resident Engagement

5.2 Supported Housing

Mears manages critically important services to households who require extra care support services. This is to ensure independence, security and peace of mind for our residents of our extra care housing scheme at Fletcher Court. All of the properties are self-contained homes with design features and support services available 24/7 to enable self-care and to support people to live as independently as possible within their community. Varying levels of care and support needs can be provided following assessment. However, all properties consist of:

- Self-contained properties including bedroom(s), living room, kitchen and wet room.
- On-site care and support staff supporting individuals to retain and regain independence through assistance with providing personal care support and guidance.

- Emergency call system throughout the scheme with 24-hour support being available.
- Communal facilities and services such as restaurant, lounges, hair salon and barber, and landscaped gardens

5.3 Anti-Social Behaviour

InCommunities manages the service that deals with anti-social behaviour and complaints. The service covers a range of actions to mitigate the impact of such behaviour and includes issuing agreements, improving security and mediation.

5.4 Resident Engagement

Collectively, InCommunities, Mears and the council wish to see tenants having a real influence in services and what happens in their community, which embraces the spirit of the most recent housing white paper.

This is achieved through the following:

- Let's talk Bradford – An online space for residents to have a say about the issues that matter to them. This includes consultations about development frameworks, strategies and the policies that will shape the district.
- Customer Experience Committee – four places reserved on the Customer Experience committee for InCommunities tenants and leaseholders – two places are paid and the other two are reserved for unpaid volunteers. Incommunities customers and housing experts work together to ensure that customers are at the heart of Incommunities and are a key partner in making decisions that affect residents and others.
- Your Voice - This is part of Mears' Customer Involvement Strategy and aims to drive action from insight and advance service standards for Mears' customers, through customer-led scrutiny, challenge and support of Mears' improvement plans and performance.

The council also actively seeks participation from a wider audience, in order to ensure that consultations consider the full range of opinions, and to ensure that decisions are guided by a real appreciation of the views of the residents and people of the district. This includes live consultations which are mostly conducted online where residents can view, submit contributions and stay informed of decisions.

6. Housing Asset Management Strategy

6.1 Background to the Asset Management Strategy

As a result of the opening of the HRA, a Housing Asset Management Strategy (HAMS) will be developed during 2023-24. Initial stock investment analysis, undertaken by the council's consultants, will be used to create the baseline and benchmark for future activity.

It is likely that this will be undertaken in conjunction with our housing management providers in order to update a database that records when works are undertaken, and the result of any additional survey works or visits to the properties.

6.2 The Purpose

The HAMS will contribute to the delivery of this business plan and will assist to deliver our strategic asset management objectives of the council's housing stock. This will ensure that homes.

1. Are appropriately maintained in accordance with an agreed Bradford Standard on an approved programme cycle.
2. Meet all regulatory standards (including building safety compliance and adherence to latest legislation) and Landlord Obligations, including the Homes England Homes Standard.
3. Are located in well-managed and attractive environments that feel secure and welcoming.
4. Are healthy and safe places to live (free from Category 1 Housing Health and Safety Rating System hazards).
5. Are viable and deliver a positive yield over the business planning period (ideally with an improving Net Present Value (NPV) and high levels of demand);
6. Meet the needs and aspirations of both current and future residents, contributing to high levels of satisfaction (with both the property and the neighbourhood);
7. Deliver an environmental and sustainability strategy which addresses the impacts of climate change, delivers the housing stock to net zero carbon by or before 2050. Using green technology and innovation to deliver these objectives.
8. Continue to improve and modernise available housing for older people.
9. Encourage green technologies and innovative solutions to the climate emergency.
10. Enable Community Development which positively supports the local community.

To deliver its HAMS, the council must ensure that the requirements of the stock are affordable in the context of its Business Plan, and that this is 'joined up' with competing pressures for Housing Revenue Account (HRA) finance (including the delivery of aspirational improvements within the existing stock, such as energy efficiency projects, and new build provided through the Housing Futures Programme.

6.3 Investment & The Bradford Standard

A desk-top assessment of the investment requirements of the councils housing stock has been undertaken. This assumed a set of life cycles for key components and providing contingencies for works that fall outside of those. The aspirations of tenants will be fully considered in the forthcoming HAMS, within the constraints of the finances available. The Social Housing White Paper 2020 recommends greater engagement with residents, and this will be a key factor in the preparation of future plans to meet objectives laid out in the strategy, balancing choice, the delivery of health & safety and addressing the enormous challenges of the climate emergency. At the same time recognising residents expect a good service, choice, and value for money to be provided in return for their rents and service charges.

Continued re-investment is required to maintain the stock in good condition. Steps will be taken to establish a new database that will be jointly monitored and updated by the council and its housing management providers.

The results of the desktop assessment are detailed below:

5-Year Summary	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yrs 1-5	Yrs 6-10	Yrs 11-15	Yrs 16-20	Yrs 21-25	Yrs 26-30	TOTAL
Kitchen	£0	£0	£0	£0	£0	£0	£585,000	£531,000	£619,500	£0	£585,000	£2,320,500
Bathroom	£0	£0	£0	£0	£0	£0	£0	£357,500	£324,500	£442,750	£0	£1,124,750
Boiler	£0	£0	£200,000	£125,000	£0	£325,000	£295,000	£227,500	£325,000	£295,000	£227,500	£1,695,000
Electrics	£0	£0	£40,000	£25,000	£0	£65,000	£59,000	£80,500	£65,000	£59,000	£80,500	£409,000
Doors	£0	£0	£0	£0	£0	£0	£0	£260,000	£236,000	£287,000	£0	£783,000
Smoke Detectors	£0	£30,000	£0	£29,000	£0	£59,000	£145,500	£59,000	£145,500	£59,000	£145,500	£613,500
Roof	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Facias/Rainwater Goods	£0	£0	£0	£0	£0	£0	£195,000	£123,000	£159,500	£0	£195,000	£672,500
Windows	£0	£0	£0	£0	£0	£0	£0	£390,000	£354,000	£413,000	£0	£1,157,000
Communal Contingency	£0	£0	£0	£0	£0	£0	£175,000	£0	£175,000	£0	£175,000	£525,000
Heating Distribution	£0	£0	£0	£0	£0	£0	£350,000	£0	£480,000	£118,000	£441,000	£1,389,000
Renewable Replacement	£0	£0	£0	£0	£0	£0	£0	£650,000	£410,000	£415,000	£0	£1,475,000
Environmental Contingency	£0	£0	£0	£0	£0	£0	£0	£260,000	£236,000	£462,000	£0	£958,000
Alarm Systems	£0	£0	£0	£0	£0	£0	£0	£130,000	£82,000	£83,000	£0	£295,000
Other Contingency	£0	£0	£0	£0	£0	£0	£130,000	£118,000	£126,000	£0	£130,000	£504,000
EV Charging Points	£0	£0	£0	£0	£0	£0	£66,000	£109,500	£101,000	£0	£66,000	£342,500
TOTAL	**£0**	**£30,000**	**£240,000**	**£179,000**	**£0**	**£449,000**	**£2,000,500**	**£3,296,000**	**£3,839,000**	**£2,633,750**	**£2,045,500**	**£14,263,750**

The above costs are well within expected benchmarks for the region and recognise the high build standard and age of the councils' properties.

In developing the HAMS, a 'Bradford District Standard' will be developed and adopted and is a collection of a number of standards and policies.

- Estate Standard.
- Repairs Standard.
- Communal Standards.
- Dwelling Standards

The councils plan will ensure that all homes meet and exceed this minimum standard.

6.4 Performance of the Councils Housing Stock

It is proposed that every 5 years the council assesses viability and re-investment priorities through a Stock Viability Model that takes account of a range of factors including demand and projected costs. This appraisal process results in individual properties being allocated a red, amber, or green (RAG) re-investment status.

Property in Red or Amber status is to be the subject of further investigation, or review through an options appraisal, under the supervision of the Asset Management Group, until they are either re-classified or until such time as an alternative strategy is agreed (disposal or re-development for example).

A green status indicates that the stock is viable with a long-term future, being of low cost and high demand. The majority of stock is believed to fall within this classification and can be included within re-investment plans without concern, however, there is a need to update the viability model to take account of the impact of new investment demands on the stock.

6.5 Sheltered Housing

Given the Extra-care unit at Fletcher Court is one of our most recent additions to the stock, it is considered to be of high standard and the costs for the scheme's continued investment have been included within the plan.

6.6 Future Costs to be Identified and Included

Costs for the following will need to be added to existing investment costs modelled within this business plan.

- Zero Carbon: We need to develop an understanding of the technical solutions available, and their cost. We will seek funding to support delivery and take into account the financial viability of properties.
- Decent Homes 2 & Building Safety. At the same time as reviewing our own investment standard we will respond to any revised government guidance on the decent homes standard, as well as any additional costs from expected increases in consumer regulation and building safety requirements over and above the values already included within our costs identified above.

7. Future Development & Acquisitions

7.1 The need for Additional Homes

The HRA model currently demonstrates a sound and viable opening balance. However, for the HRA to be sustainable over the longer-term, there is a need for additional affordable housing to be added to the HRA stock profile.

The need for additional homes is set against the backdrop of increasing pressure on our:

- Housing Operations Service
- Homelessness Service
- Children's services
- Adult Social Care

In addition, we risk losing existing stock in Bradford through RTB.
The HRA presents us with a huge opportunity to deliver critically important homes, in key locations to assist the council with these cross-directorate pressures. Accordingly, we will seek to acquire and develop new homes within the HRA.

We have modelled a range of developments or acquisitions, which will keep pace and offset the forecasted level of RTB. However, the focus will be strategic locations which "buy back better" and aligns with our corporate aims.
Our new acquisitions and developments will demonstrate value for money by ensuring that the right type of homes are delivered in strategic locations for the needs of our communities.

This theme of value for money will continue into our development plans which will ramp-up housing delivery to concentrate on the development of council-owned parcels of land that are capable of delivery of high quality and high demand housing.

7.2 Future Programme

The viability of the HRA is based on existing stock levels and the model separately runs various future development assumptions. This is to clearly delineate the baseline viability of the stock from the future development programme.

Our future programme scenario provides:

- Acquisition of 10 homes each year
- High-Growth Strategy utilising council-owned land

The High Growth strategy has been selected following an options appraisal of 3 growth scenarios (High, Medium & Low Growth)

Acquisitions

The 10 acquisitions will be funded by a combination of internal resources, Homes England Grant (dependent on AHP bid guidance and availability) or Right to Buy receipts.

Where possible, and subject to spend restrictions, the council will utilise internal S106 funds which were previously collected from development contributions.

We will continue to explore the options in respect of acquiring or developing properties, some opportunities may be adjacent to our own stock, partners' stock, former right to buy, but also sourced from the open market.

Moving forward, there will be a continual evaluation for the acquisition of homes from the open market.

Newbuild Growth Scenarios:
The Newbuild Growth Strategy focusses on three key priorities;

1.) Meeting Need – Identifying key locations, size, and types of home to meet Bradfords needs.

2.) Affordability – Prioritising Social Rented housing to provide accessible and financially sustainable housing options for households in need

3.) Value for Money – Making effective use of subsidy to ensure that council funds are used efficiently. This includes deploying internal resources, recycling eligible/allowable funds and also working in partnership with external agencies (e.g., Homes England)

Considering the last point regarding value for money, it is important to note that S106 monies cannot be spent in conjunction with Homes England grant, recycled grant or 1-4-1 receipts, on the same newbuild unit. However separate units can be funded in different ways.

Any opportunities to use S106 Commuted Sums may offer an additional source of subsidy to ensure that we are making the best use of HRA funds. Various funding sources will be explored to ensure value for money when considering newbuild growth.

The three guiding principles of the new build growth programme was factored into the following options appraisal.

Options Appraisal:
The council conducted an options appraisal of 3 grow scenarios which required careful consideration of the management of financial risk in comparison to the need to address pressing housing need. It is challenging to strike the perfect balance, but the council assessed all aspects of the following scenarios before making a decision.

The 3 HRA development scenarios have been modelled were:

1. **High Growth** - 13 council-Owned sites, delivering **431 homes** – Average of 86 homes a year, over 5 years. *(Immediate start; condensed)*

2. **Medium Growth** – 4 council-Owned sites, **305 homes** – Average of 61 homes a year, over 5 years *(2-year lead-in time)*

3. **Low Growth** - 5 council-Owned sites, **92 homes** – Average of 9 homes a year, over 10 yrs. *(10-year timeframe)*

These scenarios were modelled to give full financial breakdown of financial implications and HRA viability.

The council has weighed-up the pros and cons of each scenario, maintaining a focus on both financial risk and development ambition.

Growth Option	**Strengths**	**Weaknesses**
1 High Growth	Meets a higher proportion of need. Greater economies of scale to package-up sites and procure a development partner / contractor. Greater scope to utilise S106 monies and/or Homes England grant. Borrowing is still within limits	
2 Medium Growth	Meets need but to lesser extent. Still a viable amount of development to procure a development partner/ contractor.	Limited number of sites so little opportunity to utilise S106 monies or Homes England grant.
3 Low Growth		Low impact on meeting need, only marginal difference to normal expected market delivery. Limited number of sites so little opportunity to utilise S106 monies or Homes England grant.

		Scale of development is Less attractive to development partners and contractors. Borrowing capacity is significantly under-utilised.

The table above only summarises wider conversations and considerations around each development scenario, however the key points are represented above.

After deliberation, the council decided to pursue the High growth scenario within this HRA Business Plan. This was primarily because the first option maximises the potential of council-owned land and makes a more significant impact on housing need.

The other two scenarios were discounted due to their lesser impact on housing need and under-utilisation of council land and other resources.

Those two un-selected options will remain discounted, unless there is a change within the financial environment; In which case, the chosen scenario may be re-evaluated, and the other two (Or hybrid) options may be deployed.

8. HRA Financial Projections

8.1 How HRA Finances have Evolved

Initially the councils' properties were developed and accounted for within the General Fund. In April 2023 these will transfer over to our newly formed HRA.

The HRA is a ring-fenced account relating to the council's landlord function. The core constituents of the account are rent income; both capital and revenue maintenance of the housing stock; management costs; and financing costs.

8.2 Use of the Model

We have acquired a HRA business plan model which has assisted us with developing our initial HRA budget and assessing its viability.
The model provided the basis for the financial elements of this business plan and is launched from April 2023 with the assumptions behind the forecasts contained in Appendix 9.1.

8.3 Treasury Management

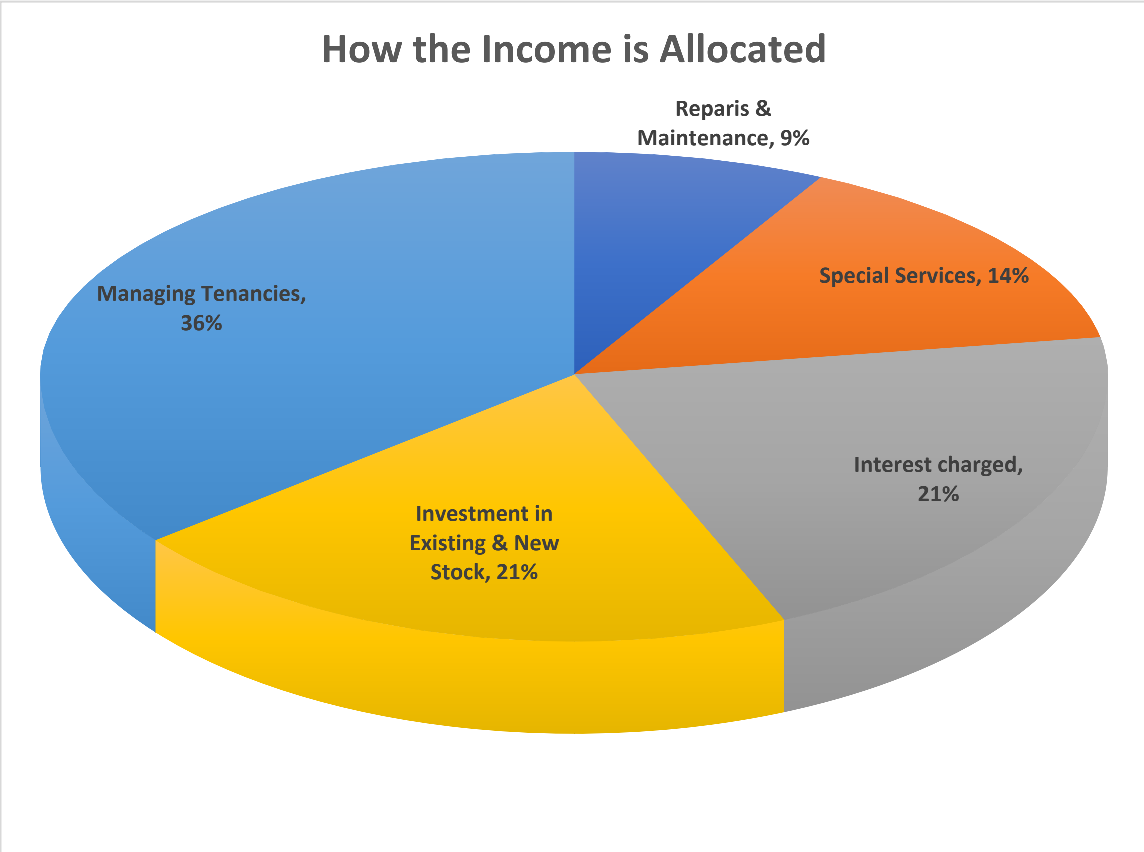
The HRAs debt is measured by the HRA Capital Financing Requirement (HRACFR) and is forecast to be £32.926million in April 2023. To finance the HRACFR the council has a number of loans that have been taken out over a series of years, which finances both this but also the General Fund, thus providing a specific interest rate for the HRA.

The council borrows and invests in accordance with the Treasury Management Strategy and will plan any consideration of borrowing closely through the financial strategy, HAMS and five-year Capital Budget.

With the abolition of the HRA debt cap the council is now required to set its own prudential borrowing limits based on a series of indicators, used by other authorities and the Registered Provider sector, that ensure existing and forecast borrowing is both affordable, appropriate but also allows for contingencies for factors outside its control. We are to develop these new prudential limits to establish what it is affordable and appropriate. However, we anticipate that any future borrowing will be for development or acquisition only and therefore supported by newly arising net rental income.

8.4 How the Rent is Spent

The following chart shows how our rental income, service charges and other income is spent based on our forecast 2023/24 HRA budget:

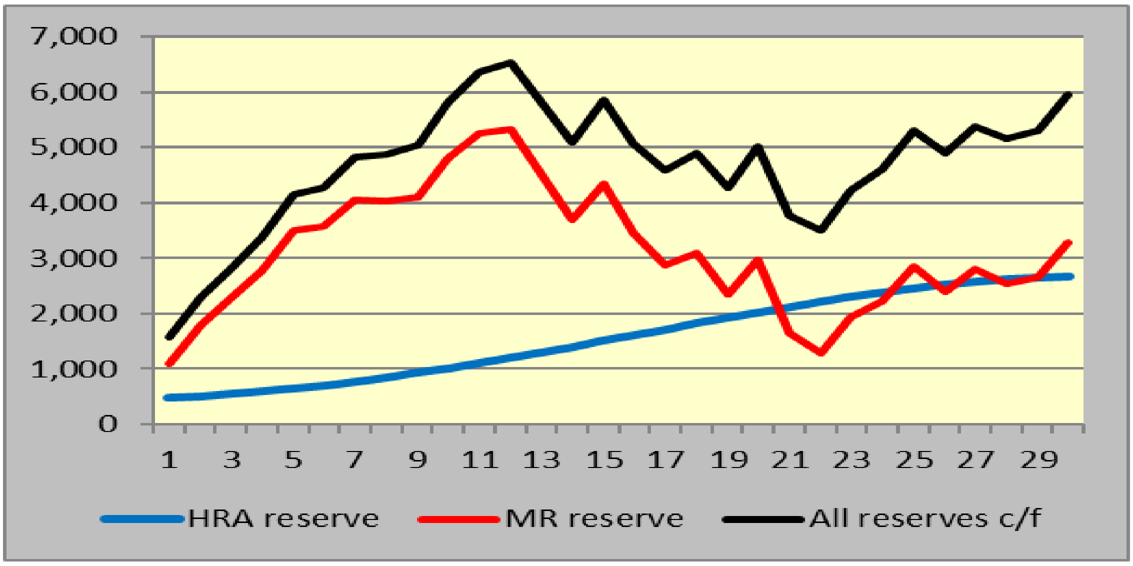


This chart shows that the HRA does not currently make a surplus from its rents. In fact, there is a marginal deficit of £13,000 which is funded by reducing reserves accordingly to equate to zero balance.
This is to be expected within the 1st year as there will naturally be volatility in terms of costs in comparison to current interest rates, however this position will positively improve during the life of the plan.

8.5 Long-Term Financial Forecasts

The following graphs are excerpts from our HRA business plan model for both revenue and capital.

<u>Revenue Projections</u>



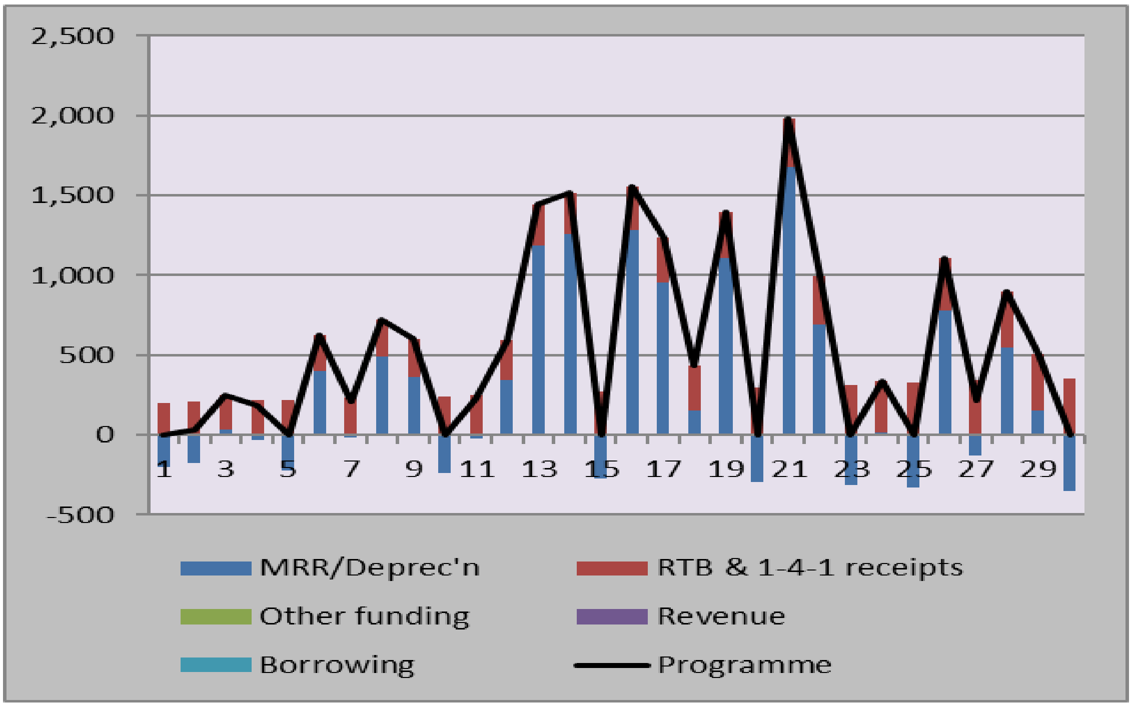
The blue line shows the projected closing balance for the HRA for each year, which demonstrates that reserves will continually increase over the plan in-line with the minimum level set within the model of £0.25million (inflated).

The red line represents the closing balance of the Major Repairs Reserve (MRR). This reserve is credited from a depreciation charge to the HRA, funded by rents, to ensure that a suitable provision is made to cover future capital investment requirements in the stock. Initially balances begin to accrue, due to less capital investment required in the early stages, and then begins to be utilised in the later stages of the plan. It should be noted that the MRR can only cover capital expenditure on existing stock, creating new assets or debt repayment (if so required).

The black line represents the combined balances.

In overall terms the plan presents a position of viability in that balances accrue within the HRA and that the MRR retains a balance in all years.

Capital Projections



This chart demonstrates both the capital expenditure on the existing stock, but also how it is funded.

The black line demonstrates the in-year capital expenditure, based on the initial expenditure profile, adjusted for inflation but also for loss of stock through right to buy.

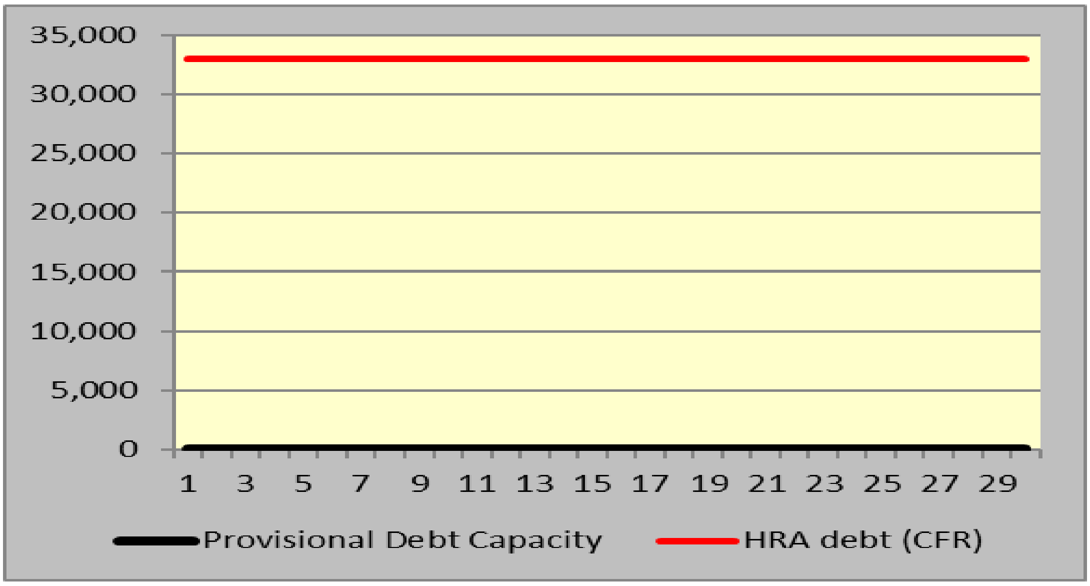
It is noticeable that in some years, particularly when there is low capital expenditure, resources available through right to buy receipts are greater than expenditure which results in balances being added to the MRR.

As Bradford's stock is not bound by current regulations for right to buy receipts, we have assumed that these net proceeds can be contributed towards future capital expenditure. We await further guidance in respect of this as to whether receipts could only be utilised for new build or acquisitions. To assess the impact of this we have run a sensitivity in the table below.

8.6 Long-Term Financing Position & Capacity

The following graph shows the borrowing position for the HRA over the next 30 years, whilst fully funding the above capital expenditure.

Debt (HRACFR) Projections



The levels of capital expenditure modelled ensure that the above level of debt is maintained and that revenue surpluses, contributions from right to buy receipts or MRR are used to reduce this.

In terms of statute there is no requirement for debt repayment within the HRA as there is with the council's General Fund.

As demonstrated, the plan shows balances accruing within both reserves, of which some could be directed towards reducing the level of debt. As stated, a level of provisional debt capacity has yet to be established, but the cost of debt remains fully financed by net rental income streams throughout the plan, with reserves accruing.

8.7 Impact of Key Risks

We have modelled the impacts to the plan when considering both adverse but also advantageous scenarios that in some instances will be outside of the control of the council.

Scenario	HRA Bal at Year 30 £'m	MRR Bal at Year 30 £m	Borrowing at Year 30 £'m
Base	**2.675**	**3.287**	**32.926**
Inflation (CPI) -0.5%	0.723	4.588	32.926
Inflation (CPI) +0.5%	4.807	1.867	32.926
Rents Frozen April 2024	0.462	3.287	32.926
Rents CPI + 0.5% Yrs 2025+	7.720	3.287	32.926
Uplift of 10% to Management Contracts Yr2	0.679	3.287	32.926
Repairs +5% Yr 2	2.316	3.287	32.926
Capital Exp +5%	2.675	2.432	32.926
Voids & Bad Debts +1% each	1.012	3.287	32.926
Interest Rate +1%	(7.228)	3.287	32.926
RTB Receipts not used to fund Cap Exp	0.372	0.269	36.844
RTBs +50%	(3.433)	7.734	32.926

In summary, the plan is fairly tolerant to changes but the largest impacts are in respect of changes to RTB's.

If RTB's exceed the 4 modelled per annum, then the plan is in significant difficulties due to the fixed nature of some of the costs in respect of management contracts and inability to reduce the related borrowing for the properties. Furthermore, the modelling does not take into account any recycling of Homes England Grant for applicable units, which could have a detrimental impact to the plan.

8.8 Scenario (New Developments)

As stated, our baseline plan excludes any new development or acquisitions.

We have modelled three scenarios as follows:

1. **High Growth** - 13 council-Owned sites, **431 homes** (SP, mixed greenfield & PDL, 0-5years) – Average of 86 homes a year, over 5 years. *(Immediate start; condensed)*

2. **Medium Growth** – 4 council-Owned sites, 305 **homes** (SP, mixed PDL & Greenfield, 2-5yrs) – Average of 61 homes a year, over 5 years *(2-year lead-in time)*

3. **Low Growth** – 5 council-Owned sites, **92 homes** (SP, greenfield, 5–10-year timeframe) – average of 9 homes a year, over 10 yrs. *(10-year timeframe)*

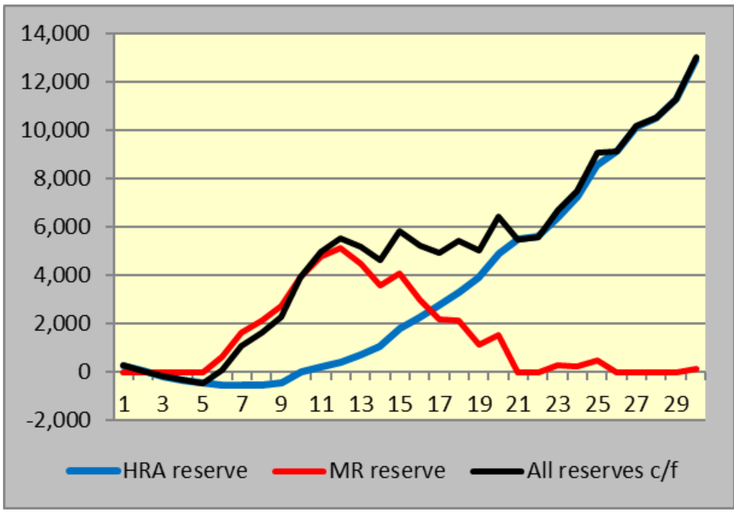
A generic cost of £200,000 per property has been used with the assumption of 40% contribution by way of a Homes England Grant.

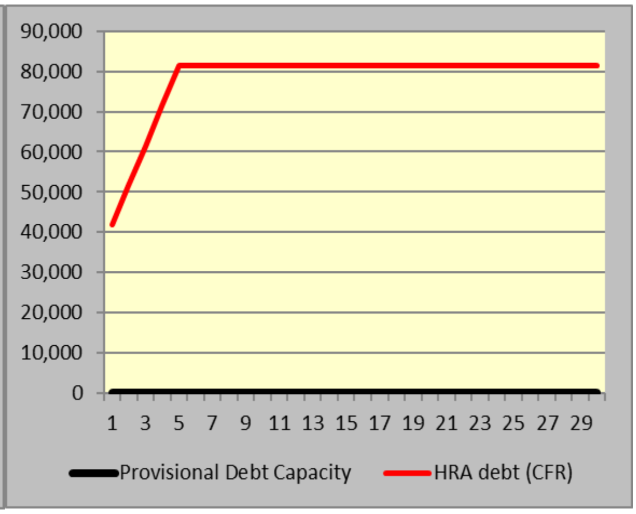
The following graphs illustrate the financial impact of each growth scenario across the 30yr business plan timeframe.
Each grouping of graphs shows two key sets of information, per development scenario:

1) The corresponding effect on HRA reserves vs Maintenance & Repair funds.
2) The amount debt the council will take on for each scenario.

These factors were taken into account during the council's deliberation between the 3 options during the options appraisal phase. This also serves as an evidence base which contributed to why the council has ultimately selected the High Growth development strategy.

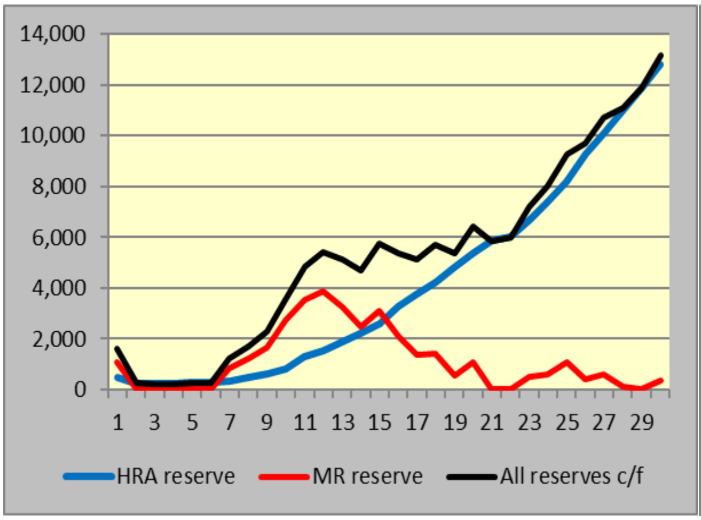
<u>High Growth Scenario</u>

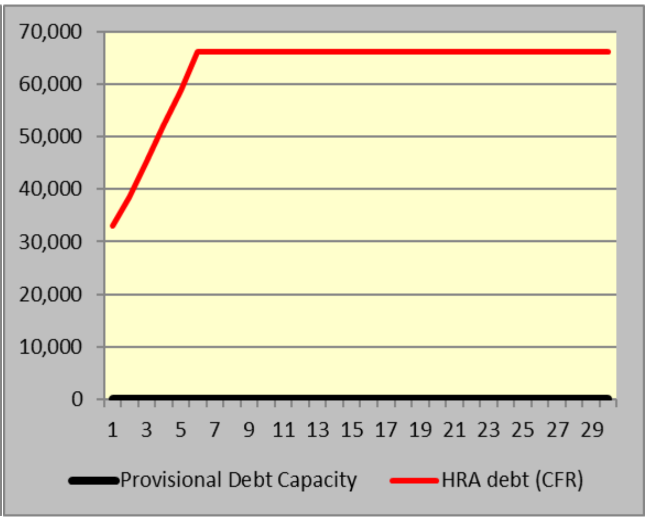




Debt balances increase by £47.8million, set against reserve balances increasing by £10.2million

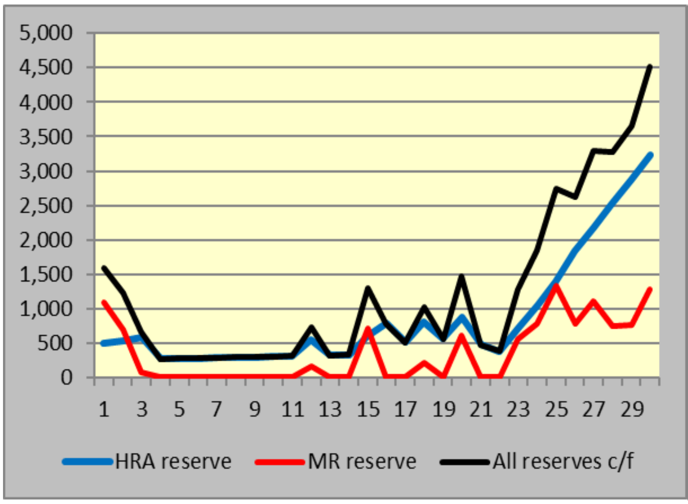
<u>Medium Growth Scenario</u>

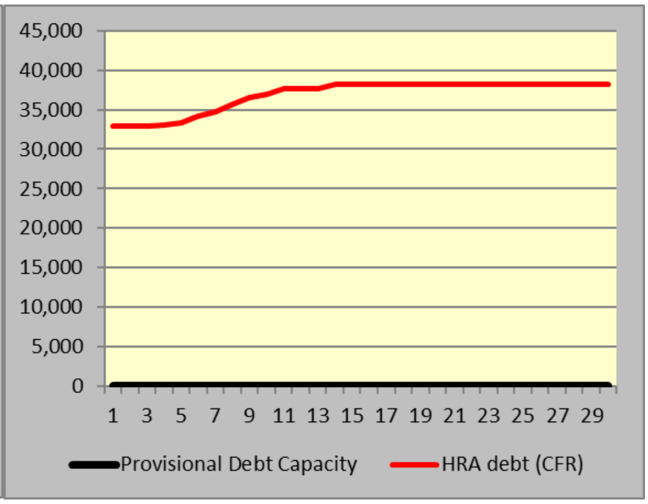




Debt balances increase by £16.8million, set against reserve balances increasing by £10.1million

<u>Low Growth Scenario</u>





Debt balances increase by £5.3million, set against revenue balances increasing by £0.5million.

There are various factors that will influence the above projections in that:

- The blended cost of borrowing is less than the 3% assumed.
- The cost of development is lower (or greater) than the £200,000 per unit assumed.
- The availability for Homes England Grant and the impact of any grant that needs to be re-cycled from right to buy sales.
- The ability to use unrestricted right to buy receipts (subject to any policy change)

9. Appendices

9.1 Financial Business Plan Assumptions

Description	Short to Medium Term	long term
Financing	Opening debt at £32.926m at agreed long-term rate.	Borrowing remains static at opening level
Property changes over the plan	403 properties 1/4/2023 with 4 RTB per annum	4 RTB per annum
Economic – inflation and interest rates	2% core (CPI) inflation, CPI 2%+1% rent inflation for 1 year only	2% core inflation, CPI rent inflation, interest rates stable
Arrears and bad debts	2.8% (General Needs) and 1.5% (Extra Care) of rents voids, 3% (General Needs) and 1% (Extra Care) Bad Debts	No change
Management costs	2023/2024 provisional budget rising at CPI	Inflation long term at CPI
Repairs costs	2023/202 provisional budget rising with inflation at CPI	Inflation long term at CPI – adjusted for stock numbers
Capital profile	Initial Programme Bradford Standard – inflated by CPI	Bradford Standard on existing stock moving with CPI – adjusted for stock numbers
Use of capital resources (RTB receipts etc) and explanation for basis	RTB receipts retained in HRA	No change

9.2 Financial Business Forecasts

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Year	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	2036.37	2037.38
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
HRA 30 YEAR SUMMARY															
Dwelling rents	2,337	2,383	2,406	2,429	2,452	2,475	2,498	2,521	2,543	2,566	2,589	2,611	2,633	2,655	2,677
Service charge income	207	212	216	220	225	229	234	238	243	248	253	258	263	268	274
Total income	**2,544**	**2,594**	**2,622**	**2,649**	**2,677**	**2,704**	**2,732**	**2,759**	**2,787**	**2,814**	**2,842**	**2,869**	**2,896**	**2,924**	**2,951**
Repairs & maintenance	219	221	224	226	229	232	234	237	240	242	245	248	251	253	256
Management (incl RRT)	1,192	1,230	1,254	1,279	1,305	1,331	1,358	1,385	1,412	1,441	1,469	1,499	1,529	1,559	1,591
Bad debts	64	65	66	66	67	67	68	68	69	69	70	70	71	71	72
Depreciation	533	517	507	497	486	476	467	457	447	437	428	419	409	400	391
Total costs	**2,008**	**2,033**	**2,050**	**2,068**	**2,087**	**2,106**	**2,126**	**2,147**	**2,168**	**2,190**	**2,212**	**2,236**	**2,259**	**2,284**	**2,309**
Net income from services	**537**	**561**	**571**	**581**	**590**	**598**	**605**	**612**	**619**	**624**	**629**	**633**	**637**	**640**	**642**
Interest payable	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income/expenditure before appropriations	**0**	**25**	**35**	**44**	**53**	**61**	**69**	**76**	**82**	**88**	**93**	**97**	**100**	**103**	**105**
Set aside for debt repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue contributions to capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net HRA Surplus/Deficit	**0**	**25**	**35**	**44**	**53**	**61**	**69**	**76**	**82**	**88**	**93**	**97**	**100**	**103**	**105**
HRA Balance brought forward	**503**	**503**	**528**	**563**	**607**	**659**	**720**	**789**	**865**	**947**	**1,034**	**1,127**	**1,223**	**1,324**	**1,427**
HRA surplus/(deficit)	0	25	35	44	53	61	69	76	82	88	93	97	100	103	105
HRA Balance carried forward	**503**	**528**	**563**	**607**	**659**	**720**	**789**	**865**	**947**	**1,034**	**1,127**	**1,223**	**1,324**	**1,427**	**1,532**
HRA CAPITAL PROGRAMME															
Stock capital investment	0	30	246	185	0	623	212	722	602	0	224	597	1,445	1,518	0
Development/acquisition	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital programme	**0**	**30**	**246**	**185**	**0**	**623**	**212**	**722**	**602**	**0**	**224**	**597**	**1,445**	**1,518**	**0**
Scheduled Loan Repayment	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Financed by...															
Major Repairs Reserve	204	178	-33	31	221	-398	17	-488	-363	244	24	-344	-1,186	-1,254	269
Revenue contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HRA borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital financing	**0**	**-30**	**-246**	**-185**	**0**	**-623**	**-212**	**-722**	**-602**	**0**	**-224**	**-597**	**-1,445**	**-1,518**	**0**
Net balance on capital programme	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Alert															
Major Repairs Reserve b/fwd	**359**	**1,096**	**1,791**	**2,264**	**2,792**	**3,499**	**3,578**	**4,062**	**4,031**	**4,115**	**4,796**	**5,248**	**5,323**	**4,546**	**3,692**
HRA depreciation (net)	533	517	507	497	486	476	467	457	447	437	428	419	409	400	391
Financing for capital programme	204	178	-33	31	221	-398	17	-488	-363	244	24	-344	-1,186	-1,254	269
Debt Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Major Repairs Reserve c/fwd	**1,096**	**1,791**	**2,264**	**2,792**	**3,499**	**3,578**	**4,062**	**4,031**	**4,115**	**4,796**	**5,248**	**5,323**	**4,546**	**3,692**	**4,352**

30-year HRA Business Plan

Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
Financial Year	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	2051.52	2052.53
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
HRA 30 YEAR SUMMARY															
Dwelling rents	2,699	2,721	2,742	2,763	2,784	2,805	2,825	2,845	2,865	2,884	2,903	2,921	2,940	2,957	2,974
Service charge income	279	285	291	296	302	308	314	321	327	334	340	347	354	361	368
Total income	**2,978**	**3,006**	**3,033**	**3,060**	**3,086**	**3,113**	**3,139**	**3,166**	**3,192**	**3,218**	**3,243**	**3,269**	**3,294**	**3,318**	**3,343**
Repairs & maintenance	259	262	265	267	270	273	276	279	281	284	287	290	293	296	298
Management (incl RRT)	1,622	1,655	1,688	1,722	1,756	1,791	1,827	1,864	1,901	1,939	1,978	2,017	2,058	2,099	2,141
Bad debts	72	73	73	73	74	74	75	75	75	76	76	76	76	77	77
Depreciation	382	373	364	356	347	339	330	322	314	306	298	290	282	275	267
Total costs	**2,335**	**2,362**	**2,390**	**2,418**	**2,447**	**2,477**	**2,508**	**2,539**	**2,572**	**2,605**	**2,639**	**2,674**	**2,709**	**2,746**	**2,783**
Net income from services	**643**	**643**	**643**	**641**	**639**	**636**	**632**	**626**	**620**	**613**	**605**	**595**	**584**	**573**	**559**
Interest payable	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537	-537
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income/expenditure before appropriations	**106**	**107**	**106**	**105**	**102**	**99**	**95**	**90**	**84**	**76**	**68**	**58**	**48**	**36**	**23**
Set aside for debt repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue contributions to capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net HRA Surplus/Deficit	**106**	**107**	**106**	**105**	**102**	**99**	**95**	**90**	**84**	**76**	**68**	**58**	**48**	**36**	**23**
HRA Balance brought forward	**1,532**	**1,638**	**1,745**	**1,851**	**1,955**	**2,058**	**2,157**	**2,252**	**2,341**	**2,425**	**2,501**	**2,569**	**2,627**	**2,675**	**2,711**
HRA surplus/(deficit)	106	107	106	105	102	99	95	90	84	76	68	58	48	36	23
HRA Balance carried forward	**1,638**	**1,745**	**1,851**	**1,955**	**2,058**	**2,157**	**2,252**	**2,341**	**2,425**	**2,501**	**2,569**	**2,627**	**2,675**	**2,711**	**2,734**
HRA CAPITAL PROGRAMME															
Stock capital investment	1,554	1,232	436	1,392	0	1,978	995	0	336	0	1,106	215	892	507	0
Development/acquisition	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital programme	**1,554**	**1,232**	**436**	**1,392**	**0**	**1,978**	**995**	**0**	**336**	**0**	**1,106**	**215**	**892**	**507**	**0**
Scheduled Loan Repayment	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Financed by...															
Major Repairs Reserve	-1,279	-952	-150	-1,101	297	-1,675	-686	315	-14	328	-772	127	-544	-152	355
Revenue contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HRA borrowing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital financing	**-1,554**	**-1,232**	**-436**	**-1,392**	**0**	**-1,978**	**-995**	**0**	**-336**	**0**	**-1,106**	**-215**	**-892**	**-507**	**0**
Net balance on capital programme	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Alert															
Major Repairs Reserve b/fwd	**4,352**	**3,455**	**2,876**	**3,090**	**2,345**	**2,989**	**1,653**	**1,297**	**1,935**	**2,234**	**2,868**	**2,395**	**2,811**	**2,550**	**2,673**
HRA depreciation (net)	382	373	364	356	347	339	330	322	314	306	298	290	282	275	267
Financing for capital programme	-1,279	-952	-150	-1,101	297	-1,675	-686	315	-14	328	-772	127	-544	-152	355
Debt Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Major Repairs Reserve c/fwd	**3,455**	**2,876**	**3,090**	**2,345**	**2,989**	**1,653**	**1,297**	**1,935**	**2,234**	**2,868**	**2,395**	**2,811**	**2,550**	**2,673**	**3,296**