

CANNOCK CHASE COUNCIL

COUNCIL

4 JULY 2012

JOINT REPORT OF THE HEAD OF HOUSING AND THE HEAD OF FINANCIAL MANAGEMENT

HOUSING REVENUE ACCOUNT BUSINESS PLAN

1. Purpose of Report

- 1.1 To consider a revised Housing Revenue Account Business Plan as recommended by Cabinet following the conclusion of the Council's settlement payment borrowing.

2. Recommendations

- 2.1 That the revised HRA Business Plan (attached as Annex 1) and the associated programme of capital expenditure (attached as Annex 2) are approved.
- 2.2 That the revised Business Plan assumptions (attached as Annex 3) are noted including the provision of 15 further Council houses as part of the Capital Expenditure Programme.

3. Summary (inc. brief overview of relevant background history)

- 3.1 A devolved system of self-financing replaced the previous Housing Revenue Account subsidy system from 1 April 2012.
- 3.2 Details of the self-financing system were reported to Cabinet on 21 July 2011 and enables the Council to retain all of its rent income and no longer pay negative subsidy to the Government. However, "in return" the Council has had to "take on" a share of the national housing debt by making a settlement payment to the Government. In addition, the Government has limited the amount of HRA finance which the Council can borrow through the imposition of a "borrowing cap".
- 3.3 In order to implement self-financing Council on 15 February 2012 agreed a 30 year HRA Business Plan. Details of the assumptions used in formulation this plan were detailed in Annex 3 to Council report and include:-
- (a) A settlement payment of £59.762 million.
 - (b) A borrowing cap of £85.546 million.
 - (c) New borrowing to meet the settlement payment through a minimum revenue provision over a 35 year period commencing in 2017-18.
 - (d) A 4% interest rate for the settlement payment borrowing.
- 3.4 The Council were required to make the £59.762 million settlement payment to the Government on 28 March 2012 and to fund this through additional borrowing at the interest rate which

prevailed on 26 March 2012. This action has resulted in a number of changes to certain key assumptions which have a beneficial impact on the HRA Business Plan.

- 3.5 Cabinet on 21 June considered the implications of these changes and the consequential capacity for additional planned expenditure within the HRA Business Plan. Following consideration of these issues Cabinet have recommended a revised HRA Business Plan to Council for approval.

4. **Key Issues and Implications**

- 4.1 Details of the changes to the four key assumptions together with the additional expenditure capacity which has been generated within the plan is detailed below:-

	<u>Agreed Business Plan</u>	<u>Revised Position</u>	<u>Estimated Additional Expenditure Capacity</u>
Settlement Payment	£59.762 m	£59.245 m *1	£18,000 per annum
Borrowing Cap	£85.546 m	£85.029 m *1	No impact
Settlement Payment Borrowing Period	35 years	50 years *2	£40,000 per annum
Settlement Payment Interest Rate	4%	3.48% *3	£308,000 per annum
			<u>£366,000</u>

Notes

*1 As reported by the Housing Portfolio Leader to Cabinet on 2 February 2012.

*2 Extended borrowing period which accords with the strategy adopted by other authorities.

*3 As reported by the Housing Portfolio Leader to Cabinet on 19 April 2012.

- 4.2 As a consequence of these changes there is the potential for additional expenditure capacity of £366,000 per annum being generated within the HRA Business Plan. This equates to £1.830 million over the next five years.
- 4.3 In view of the substantial demand for rented accommodation within the District, Cabinet considered that the provision of additional Council housing should be the priority for the £1.830 million of estimated additional spending capacity. Cabinet have therefore recommended that the financial provision to build a further 15 Council houses (at an estimated cost of £1.8 million) is included in Years 3, 4 and 5 of the HRA Business Plan. These 15 Council houses would be in addition to the 50 Council houses which were included in the "original" HRA Business Plan approved by Council on 15 February 2012.
- 4.4 Subject to Council approving the revised HRA Business Plan, Cabinet have agreed that 10 of the additional Council houses should form part of the redevelopment scheme for the Reema flats on the Moss Road Estate, Chadsmoor. The remaining 5 additional Council houses would be provided on a further site to be identified.

- 4.5 The financial impact of the changes to the key Business Plan assumptions and the provision of 15 further Council houses have been incorporated into a revised HRA Business Plan (attached as Annex 1) and the accompanying programme of capital expenditure (attached as Annex 2). Details of the assumptions used in formulating the plan have also been revised and are attached as Annex 3.
- 4.6 The HRA Business Plan will be subject to a further comprehensive review as part of the budget process for 2013-14 and future years.

5. Conclusion(s) and Reason(s) for the Recommendation(s)

- 5.1 This report presents a revised HRA Business Plan which has been recommended by Cabinet following the conclusion of the Council's settlement payment borrowing.
- 5.2 Changes to four key Business Plan assumptions have generated a potential additional expenditure capacity of £1.830 million over the next five years and in view of the substantial demand for rented accommodation within the District, Cabinet consider that this should be used to finance the construction of further Council houses.
- 5.3 Cabinet have therefore recommended that the financial provision to build a further 15 Council houses (at an estimated cost of £1.8 million) is included in a revised HRA Business Plan
- 5.4 The financial impact of the changes to the key Business Plan assumptions and the provision of 15 further Council houses have been incorporated into a revised HRA Business Plan (attached as Annex 1) and the accompanying programme of capital expenditure (attached as Annex 2). Details of the assumptions used in formulating the plan have also been revised and are attached as Annex 3.

6. Other Options Considered

- 6.1 Cabinet considered three alternative options in relation to the additional potential expenditure capacity of £1.830 million. These are detailed in the report considered by Cabinet on 21 June 2012.

7. Report Author Details

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SCHEDULE OF ADDITIONAL INFORMATION

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Section 1**Contribution to Council Priorities**

The construction of 15 further Council houses for social rent as recommended by Cabinet will contribute to the service aim to "increase the supply of affordable housing which forms part of the agreed 2012-13 "Place" Priority Delivery Plan.

Section 2**Contribution to Promoting Community Engagement**

The Chase Tenants and Residents Federation have been advised of the proposals within this report.

Section 3**Financial Implications**

Details of the changes to the four key assumptions together with the additional expenditure capacity which has been generated within the plan is detailed below:-

	<u>Agreed Business Plan</u>	<u>Revised Position</u>	<u>Estimated Additional Expenditure Capacity</u>
Settlement Payment	£59.762m	£59.245 m	£18,000 p.a
Borrowing Cap	£85.546m	£85.029 m	No impact
Settlement Payment Borrowing Period	35 years	50 years	£40,000 p.a
Settlement Payment Interest Rate	4%	3.48%	£308,000 p.a
			£366,000 p.a

As a consequence of these changes there is the potential for additional expenditure capacity of £366,000 per annum being generated within the HRA Business Plan. This equates to £1.830 million over the next five years.

Cabinet have recommended that the financial provision to build a further 15 Council houses (at an estimated cost of £1.8 million) is included in Years 3, 4 and 5 of the HRA Business Plan.

Section 4**Legal Implications**

The legal implications are set out throughout this report.

Section 5**Human Resource Implications**

There are no human resource implications arising from this report.

Section 6

Section 17 (Crime Prevention) Implications

The 15 further Council houses recommended by Cabinet would meet the standards for “secure by design”, which will help reduce crime and anti-social behaviour.

Section 7

Human Rights Act Implications

There are no identified implications in respect of the Human Rights Act 1998 arising from this report.

Section 8

Data Protection Act Implications

There are no identified implications in respect of the Data Protection Act arising from this report.

Section 9

Risk Management Implications

The failure to formulate a sustainable 30 year HRA Business Plan in accordance with the Government’s HRA debt settlement proposals was previously identified as a medium risk within the Council’s Strategic Risk Register. Following the approval of the Business Plan by Council on 15 February 2012 this risk has been removed.

A Business Plan risk analysis also formed part of the HRA Business Plan report to Council on 15 February 2012. The conclusion of the Council’s settlement payment borrowing has removed a major Business Plan uncertainty, although other risks remain, particularly in relation to the number of RTB sales following the Government’s decision to increase the RTB discount cap.

A comprehensive review of the risk analysis will therefore be taken when the Business Plan is fully reviewed as part of the 2013-14 budget process.

Section 10

Equality and Diversity Implications

The HRA Business Plan has been subject to an Equality Impact Assessment.

Section 11

List of Background Papers

None

Section 12

Report History

Housing Revenue Account Business Plan	Cabinet	19 January 2012
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Housing Revenue Account Business Plan	Council	15 February 2012
Housing Revenue Account Business Plan	Cabinet	21 June 2012

Annexes

- Annex 1: HRA Business Plan (Revised June 2012)
- Annex 2: HRA Business Plan: Programme of Capital Expenditure (Revised June 2012)
- Annex 3: HRA Business Plan Assumptions (Revised June 2012)

ANNEX 1

	1 2012.13	2 2013.14	3 2014.15	4 2015.16	5 2016.17	6-10 2017.22	11-15 2022.27	16-20 2027.32	21-25 2032.37	26-30 2037.42
Income										
Dwelling Rent	18,681,720	18,631,360	18,724,800	18,969,010	19,215,490	99,094,020	106,103,660	113,498,900	121,284,130	129,460,510
Shop Rent	128,000	129,280	130,570	131,880	133,200	686,260	721,270	758,080	796,770	837,420
Garage Rent	284,400	282,430	280,300	277,930	275,370	1,330,790	1,233,090	1,098,900	1,099,520	1,214,060
Total Income	19,094,120	19,043,070	19,135,670	19,378,820	19,624,060	101,111,070	108,058,020	115,355,880	123,180,420	131,511,990
Expenditure										
Repairs	4,206,110	4,224,880	4,266,364	4,331,602	4,397,754	22,995,196	24,632,544	26,510,724	28,147,929	30,385,178
Management	3,867,360	3,944,700	4,023,580	4,104,060	4,186,140	22,145,390	24,134,380	26,492,390	28,602,710	31,579,890
Interest - Current Debt	1,284,510	1,284,510	1,284,510	1,284,510	1,284,510	6,422,550	6,422,550	6,422,550	6,422,550	6,422,550
Interest - New Debt	2,182,026	2,182,026	2,182,026	2,332,026	2,332,026	11,660,130	11,660,130	11,660,130	10,758,630	10,308,630
New Build	-	-	2,959,942	2,906,453	1,674,730	(707,317)	(774,115)	(859,876)	(1,041,865)	(1,142,915)
Principal & MRP New Debt	-	-	150,000	150,000	150,000	10,187,429	10,287,429	10,387,429	8,837,429	8,537,429
Depreciation	3,232,530	3,224,130	3,240,510	3,282,870	3,325,630	17,327,490	18,555,850	19,852,210	21,217,390	22,651,710
Total Expenditure	14,772,536	14,860,246	18,106,932	18,391,521	17,350,790	90,030,867	94,918,768	100,465,556	102,944,773	108,742,472
Surplus / (Deficit)	4,321,584	4,182,824	1,028,738	987,299	2,273,270	11,080,203	13,139,252	14,890,324	20,235,647	22,769,518
Capital Resources										
RCCO	4,158,060	4,174,054	704,068	1,142,749	2,366,940	10,808,783	13,028,522	14,821,244	20,153,737	22,634,558
Capital B/f	3,000,000	-	-	-	-	-	-	-	-	-
Major Repairs Allowance	3,232,530	3,224,130	3,240,510	3,282,870	3,325,630	17,327,490	18,555,850	19,852,210	21,217,390	22,651,710
Borrowing	-	-	3,000,000	-	-	-	-	-	-	-
Capital Receipts RTB	-	-	-	-	-	-	-	-	-	-
Capital Receipts Bungalows	-	-	-	-	-	-	-	-	-	-
Land Sales	50,000	50,000	50,000	50,000	50,000	2,250,000	125,000	125,000	-	-
Total Capital Resources	10,440,590	7,448,184	6,994,578	4,475,619	5,742,570	30,386,273	31,709,372	34,798,454	41,371,127	45,286,268
Capital Expenditure	6,900,240	9,028,160	7,111,070	5,993,170	5,975,310	27,884,020	30,346,880	32,138,330	27,856,490	30,242,180
Surplus / (Deficit)	3,540,350	(1,579,976)	(116,492)	(1,517,551)	(232,740)	2,502,253	1,362,492	2,660,124	13,514,637	15,044,088
Cumulative Surplus	3,540,350	1,960,374	1,843,883	326,332	93,592	2,595,845	3,958,338	6,618,461	20,133,099	35,177,187

ANNEX 2

	1 2012.13	2 2013.14	3 2014.15	4 2015.16	5 2016.17	6-10 2017.22	11-15 2022.27	16-20 2027.32	21-25 2032.37	25-30 2037.42
DFG's	562,000	578,860	596,230	366,120	373,440	1,982,230	2,188,560	2,416,340	2,667,800	2,945,500
PRC - Demolish flats	750,000	650,000	-	-	-	-	-	-	-	-
PRC - Reema Houses	350,000	1,000,000	50,000	-	-	-	-	-	-	-
PRC - Cornish Houses	-	-	1,000,000	150,000	50,000	-	-	-	-	-
Double Glazing	-	951,620	956,450	968,950	981,560	3,026,150	-	-	-	-
Unforeseen Capital Works	100,000	102,000	104,040	106,120	108,240	574,530	634,350	700,420	773,300	853,770
Capital Adjusted for Property Numbers										
Tenant Improvements	5,000	5,100	5,200	5,300	5,410	28,710	31,680	34,960	38,610	42,610
Kitchens	1,075,480	1,083,200	735,370	744,980	754,680	3,365,200	7,386,850	8,143,470	5,627,250	5,140,410
Bathrooms	442,620	936,960	941,720	954,030	966,450	1,744,200	2,138,710	4,262,960	1,529,780	1,633,190
Central Heating	1,142,370	1,150,570	794,200	804,590	815,070	5,846,240	7,058,830	6,523,260	7,057,050	7,981,080
Electrics	398,920	401,780	371,320	376,180	381,080	1,986,500	2,127,980	2,276,650	2,433,250	2,597,760
External Site Works	-	-	416,030	421,470	426,960	3,138,380	3,169,270	1,957,540	1,317,430	1,284,150
External Fabric Work	1,480,250	1,490,870	609,240	617,200	625,240	4,689,810	4,322,090	3,677,640	5,457,860	6,775,470
Capital Budget	6,306,640	8,350,960	6,579,800	5,514,940	5,488,130	26,381,950	29,058,320	29,993,240	26,902,330	29,253,940
Additional Works										
Provision of Entry Phones	100,000	-	-	-	-	-	-	-	-	-
Bathroom Shower Option	143,850	290,280	291,750	295,560	299,410	660,100	829,630	1,605,380	541,830	578,430
Kitchen Floor Covering	53,750	54,830	37,710	38,470	39,240	181,910	458,930	539,710	412,330	409,810
Solid Fuel Central Heating	130,000	132,600	-	-	-	-	-	-	-	-
Electrics Outside Lights	-	61,490	61,810	-	-	-	-	-	-	-
Works to entrances of Communal Flat Blocks	166,000	138,000	-	-	-	-	-	-	-	-
Environmental Improvements to communal areas	-	-	140,000	144,200	148,530	660,060	-	-	-	-
Additional Works Total	593,600	677,200	531,270	478,230	487,180	1,502,070	1,288,560	2,145,090	954,160	988,240
Total Capital Budget	6,900,240	9,028,160	7,111,070	5,993,170	5,975,310	27,884,020	30,346,880	32,138,330	27,856,490	30,242,180

HRA BUSINESS PLAN ASSUMPTIONS

(REVISED JUNE 2012)

1. CHANGES IN HRA ASSETS

- (a) Dwelling changes A net decrease in the housing stock of 1042 dwellings is projected over the Business Plan period as a result of:-
- 900 Right to Buy sales (30 per annum throughout the Business Plan period).
 - The sale of 25 Pre-1970 vacant one bedroom bungalows (5 per annum during years 1 to 5).
 - The closure of 167 Reema flats on the Moss Estate, Chadsmoor during years 1 and 2 prior to demolition.
 - The construction of 65 new Council houses during years 3, 4 and 5.
- (b) Garage changes The number of garages are expected to decrease by 360 units by year 20 as a result of demolitions to reflect the expected continued decline in demand.

2. RENT INCOME

- (a) Dwelling Income Rent income is assumed to increase by RPI plus 0.5% until rent convergence by year 4. Thereafter, rents are assumed to increase annually by inflation only.
- (b) Income from Other Assets Garage rents and income from shop leases are assumed to increase annually by inflation.
- (c) Void Rate Annual rent income from dwellings has been reduced by a 1% void rate during years 1 to 5 of the plan and by 2% thereafter. A void rate of 25% has been assumed for garages throughout the plan period.
- (d) Provision for Bad Debts The current provision for bad debts has been increased to £200,000 per annum in year 1 (and then inflated) to reflect the implications of the Welfare Reform Bill.

3. CAPITAL RECEIPTS

- (a) Right to Buy and Vacant One Bedroom Bungalow Receipts It is assumed that the receipts generated from RTB sales and the sale of certain vacant one bedroom bungalows will continue to be transferred to the General Fund Capital Programme for the purposes of providing private sector disabled facilities grants and affordable housing and will not therefore be available as a housing capital resource.
- (b) Land Sales It has been assumed that 100% of the receipts generated from HRA land sales will continue to be available as HRA capital resources. The receipt from the sale

of the Mill Green Employment site has been programmed for year 8, whilst receipts from the sale of surplus garage sites are assumed to be £50,000 per annum during years 1 to 10 and £25,000 during years 11-20. No receipts are assumed thereafter.

- (c) Other Capital Resources No resources from the Energy Efficiency Commitment Programme or other sources have been assumed.

4. SUPPORTING PEOPLE FUNDING

It is assumed that the current net cost of providing sheltered housing and a social alarms service, after the provision of supporting people funding will continue to be met through the HRA.

Note: Staffordshire County Council are reviewing their supporting people contracts with the Council and it is envisaged that the level of funding will be reduced. This is addressed further in the Risk Analysis.

5. SELF-FINANCING SETTLEMENT PAYMENT

A self-financing settlement payment of £59.245 million has been included in accordance with the Council's self-financing determination.

6. INFLATION

The following rates have been assumed for Year 1:-

- (a) Rent Income – 5.6%
- (b) Building costs – 3%
- (c) Other expenditure – 2%

Thereafter an inflation rate of 2% per annum has been assumed for both income and expenditure for the remainder of the Business Plan period.

7. DEPRECIATION

Depreciation of the Council's HRA assets has been assessed over a 75 year lifespan in accordance with CIPFA guidelines.

Annual depreciation is available as a HRA Capital resource.

8. WORKING BALANCE

A minimum working balance comprising 10% of annual expenditure has been assumed throughout the Business Plan period.

9. REVENUE CONTRIBUTION TO CAPITAL OUTLAY

It has been assumed that any surplus above the minimum amount required in working balances will be utilised as a Revenue Contribution to Capital Outlay.

10. BORROWING

Total borrowing to the Council's borrowing cap of £85.029 million has been included. This comprises:-

- (a) £22.76 million of existing debt including the £3 million of additional borrowing undertaken in November 2011 to finance the 2011-12 HRA Capital Programme.
- (b) £62.245 million of new borrowing to:-
 - (i) meet the £59.245 million settlement payment;
 - (ii) provide £3 million for additional capital expenditure.

11. INTEREST RATES

The following interest rates for borrowing have been included or assumed:-

- (a) Existing debt of £19.76 million at the average rate of 6.5% per annum.
- (b) Existing debt of £3 million (November 2011 borrowing) at the average rate of 4.01% per annum.
- (c) New borrowing to meet the settlement payment of £59.245 million at 3.48% per annum.
- (d) Additional borrowing for capital expenditure (in year 3 of the Business Plan) at 5% per annum.

12. WORKS TO PRECAST REINFORCED CONCRETE DWELLINGS

It has been assumed that structural reinstatement works will be undertaken to:-

- (a) The 63 Reema houses on the Moss Estate, Chadsmoor during Years 1 and 2.
- (b) The 44 Cornish Houses in the Rowley Close area, Pye Green during Years 3 and 4.

It is further assumed that the 167 Reema flats on the Moss Estate, Chadsmoor will be demolished and financial provision to facilitate the re-housing of existing residents through the provision of Home Loss and Disturbance payments is included for years 1 and 2. No provision has been made for demolition costs as it is assumed that this will be met as part of the redevelopment.

13. PLANNED MAINTENANCE

It is assumed that planned maintenance works will be undertaken with Decent Homes/Statutory Repair obligations requirements evidenced by the 2009 stock condition survey with the following enhancements:-

- (a) Reintroduction of the bathroom replacement programme brought forward to commence during the third quarter of Year 1.

- (b) Window replacement brought forward to Years 2-8 to enable double glazing to be fitted to the majority of existing window frames.
- (c) Additional provision to:-
 - renewal of existing entry phones;
 - redesign the communal entrance halls to certain flat blocks;
 - introduce a limited programme of environmental improvements.
- (d) Inclusion of a contingency sum of £100k per annum to meet the cost of unforeseen capital works.

Note: The Decent Homes/statutory repair obligation requirements represent the minimum standard for the future maintenance of the housing stock and results in works being deferred wherever possible, with no provision for improvements other than those required to meet the decent homes standard. In particular, no provision is made for:-

- (a) Fencing replacement unless it adjoins a highway, public footpath or public area of open space.
- (b) Works to garages.

14. CAPITAL SCHEME SERVICE STANDARDS

It is assumed that structural reinstatement and planned maintenance works will be undertaken in accordance with the capital scheme service standards agreed by Cabinet on 17 November 2011 and 15 March 2012.

15. NEW BUILD

Provision to construct 65 new Council houses on Council owned land has been included in Years 3 and 4 of the Business Plan.

The full cost of providing these additional dwellings has been included and no account has been taken of the potential availability of affordable housing grant from the Homes and Communities Agency or as a result of additional capital receipts which may be realised from the Government's Right to Buy policy changes.

16. RESPONSIVE AND CYCICAL MAINTENANCE

Costs have been reduced annually to reflect the reduction in the housing stock throughout the Business Plan period. Establishment costs have also been reduced by 4% in year 11 and a further 7% in year 21.

A continuation of current policies and existing levels of service are assumed throughout the Business Plan period and include:-

- (a) The servicing of all gas and solid fuel heating appliances and the continuation of a "three star" maintenance service.

- (b) A responsive repairs service delivered in accordance with current timescales.
- (c) Works to void dwellings in accordance with the Council's lettable standard including the provision of a second door to any bungalows which remain without this facility.
- (d) Annual contributions to reserve accounts to provide for:-
 - The replacement of door entry systems and sheltered housing scheme lifts when required.
 - The maintenance of the internal communal areas of flat blocks on a 7 year cycle.
 - A stock condition survey every five years.

17. DISABLED FACILITIES WORKS

Provision has been made throughout the Business Plan period to provide for the projected need to undertake disabled facilities works for disabled households living in Council accommodation. The provision includes resources to remove the current waiting list during Years 1 to 3.

18. HOUSING MANAGEMENT

Provision has been made throughout the Business Plan period to continue current policies and existing levels of service in respect of rent collection and arrears recovery, the allocation and letting of vacant dwellings, tenant participation and estate management including "estate walks" and action regarding anti-social behaviour and neighbour complaints. Establishment costs have however, been reduced by 4% in year 11 and a further 7% in year 21 to reflect changes in the housing stock.

The assumed level of service includes:-

- (a) The provision of the current Vulnerable Tenants Grass Cutting and Internal Decoration service to households who are aged over 70 or who are in receipt of a defined benefit.
- (b) Continued support to the Chase Tenants and Residents Federation and individual tenants and residents associations including annual grants, the provision of office accommodation and the secondment of a part-time support worker.
- (c) The continuation of the Benion Road area CCTV system.
- (d) The production and distribution of the quarterly "Hometalk" Magazine.
- (e) Insurance of HRA property assets.
- (f) The provision of an annual minor works budget of £75,110 (inflated).
- (g) The net cost of providing sheltered housing and communal alarm monitoring service following the receipt of supporting people funding from Staffordshire County Council.

19. DEBT REPAYMENT

It is assumed that:-

- (a) Existing debt of £19.76 million will continue to be serviced on an interest only basis.
- (b) Existing debt of £3 million (November 2011 borrowing) will be met through a minimum revenue provision over a 13 year period commencing in 2018-19.
- (c) New borrowing to meet the £59.245 million settlement payment will be met through a minimum revenue provision over a 50 year period commencing in 2017-18.
- (d) The additional estimated capacity for new borrowing of £3 million will be undertaken on a maturity basis over 20 years.

20. RESOURCES CARRIED FORWARD FROM 2011-12

It is assumed that £4.4 million of resources will be carried forward to 2012-13 (Year 1 of the Business Plan).

This sum includes £3 million of resources regenerated following the refinancing of the 2011-12 HRA Capital Programme in November 2011.

As revised June 2012