

ANALYSIS OF HOUSING SUBSIDY

	Actual 2007.08	Budget 2008.09	Budget 2009.10	Projection 2010.11	Projection 2011.12	Projection 2012.13	Projection 2013.14	Projection 2014.15	Projection 2015.16	Projection 2016.17	Projection 2017.18
ALLOWANCES DUE TO THE COUNCIL											
Management & Maintenance Allowance			5.26	5.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
			4.32	5.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Number of Properties	3,176	3,128	3,101	3,096	3,096	3,091	3,081	3,066	3,046	3,031	3,021
Multiplied by the Management Allowance	395.63	406.72	428.12	451.67	465.22	479.17	493.55	508.35	523.61	539.31	555.49
Multiplied by the Maintenance Allowance	843.26	865.24	902.62	952.26	980.83	1,010.26	1,040.56	1,071.78	1,103.94	1,137.05	1,171.16
Total M and M Allowance	3,934,715	3,978,691	4,126,625	4,346,569	4,476,967	4,603,828	4,726,602	4,844,698	4,957,488	5,081,067	5,216,233
Charges for Capital											
Subsidy Capital Financing Requirement	9,525,402	9,429,324	9,429,324	9,429,324	9,429,324	9,429,324	9,429,324	9,429,324	9,429,324	9,429,324	9,429,324
Multiplied by Cost of Borrowing	5.00%	6.00%	6.07%	6.07%	6.07%	6.07%	6.07%	6.07%	6.07%	6.07%	6.07%
Add Specified Amount for Debt Management	39,755	40,808	41,930	41,930	41,930	41,930	41,930	41,930	41,930	41,930	41,930
Add Provision for Debt Repayment	-	-	-	-	-	-	-	-	-	-	-
Total Capital Allowance	516,025	606,567	614,290	614,290	614,290	614,290	614,290	614,290	614,290	614,290	614,290
Other Items of Reckonable Expenditure											
Covenant Interest	71,211	69,204	51,253	9,392	-	-	-	-	-	-	-
Total - Other Expenditure Allowance	71,211	69,204	51,253	9,392	-	-	-	-	-	-	-
Rental Constraint Allowance	227,481	-	-	-	-	-	-	-	-	-	-
Major Repairs Allowance											
Number of Properties	3,176	3,128	3,101	3,096	3,096	3,091	3,081	3,066	3,046	3,031	3,021
Multiplied by the Major Repairs Allowance	574.31	599.43	611.36	628.17	645.44	663.19	681.43	700.17	719.42	739.20	759.53
Total MRA Allowance	1,824,009	1,875,017	1,895,827	1,944,814	1,998,282	2,049,920	2,099,486	2,146,721	2,191,353	2,240,515	2,294,540
TOTAL ALLOWANCES DUE TO THE COUNCIL	4,749,432	6,529,479	6,687,995	6,915,066	7,089,539	7,268,039	7,440,378	7,605,709	7,763,132	7,935,873	8,125,063
LESS - Assumed Rent Income											
Number of Properties	3,176	3,128	3,101	3,096	3,096	3,091	3,081	3,066	3,046	3,031	3,021
Multiplied by Guideline rent per dwelling (per week)	55.51	58.68	61.20	65.09	67.58	70.16	72.84	75.61	78.49	81.47	84.56
Annual Guideline Rent	9,168,408	9,544,404	9,869,274	10,478,969	10,879,839	11,276,957	11,669,842	12,054,654	12,432,188	12,840,650	13,283,700
Less a Void Allowance of 2%	(183,368)	(190,888)	(197,385)	(209,579)	(217,597)	(225,539)	(233,397)	(241,093)	(248,644)	(256,813)	(265,674)
Total - Assumed Rent Income	8,985,040	9,353,516	9,671,889	10,269,390	10,662,242	11,051,418	11,436,445	11,813,561	12,183,544	12,583,837	13,018,026
LESS - Assumed Interest on Investments	1,429	1,176	965	500	400	300	200	100	100	100	100
ADD BACK - MRA allowance	1,824,009	1,875,017	1,895,827	1,944,814	1,998,282	2,049,920	2,099,486	2,146,721	2,191,353	2,240,515	2,294,540
NET PAYMENT TO THE NATIONAL POOL	2,413,029	2,825,213	2,984,859	3,354,825	3,573,104	3,783,679	3,996,267	4,207,951	4,420,513	4,648,064	4,893,063