REPORT TO:	**OVERVIEW AND SCRUTINY COMMITTEE**	**AGENDA ITEM: 6**
DATE OF MEETING:	**8th FEBRUARY 2017**	**CATEGORY: RECOMMENDED**
REPORT FROM:	**DIRECTOR OF FINANCE & CORPORATE SERVICES**	**OPEN**
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SUBJECT:	**HOUSING REVENUE ACCOUNT BUDGET, FINANCIAL PLAN and PROPOSED RENT 2017/18**	**REF:**
WARD(S) AFFECTED:	**ALL**	**TERMS OF REFERENCE: HC 01**

1.0 Recommendations

1.1 That Council House Rents are reduced by 1% for Tenants with effect from 1st April 2017 in accordance with provisions contained in the Welfare Reform and Work Act 2016.

1.2 That the proposed estimates of income and expenditure for 2017/18, together with the 10-year Financial Plan for the Housing Revenue Account as detailed in **Appendix 1,** are considered and referred to the Finance and Management Committee for approval.

1.3 That the HRA is kept under review and measures identified to mitigate the financial risks detailed in the report and to maintain a sustainable financial position.

2.0 Purpose of the Report

2.1 As part of the annual financial cycle, the report details the Housing Revenue Account's (HRA) base budget for 2017/18. In addition, the report details the updated 10-year financial projection for the HRA following a review during the annual budget round.

2.2 The report also sets out details of the proposed rent level for 2017/18 in accordance with the Welfare Reform and Work Act 2016.

3.0 Detail

The Position Entering the 2016/17 Budget Round

3.1 During 2016/17, the financial position of the HRA has been reviewed on several occasions. This was to reflect changes to the on-going capital investment and Council House New Build Projects, together with the 2015/16 budget out-turn position.

3.2 The latest position reported in October 2016, estimated a deficit on the HRA in 2017/18 of £266,000, forcing the HRA's General reserve to approximately £1.12m, only slightly above the minimum level of £1m.

3.3 As previously reported, the longer-term financial position for the HRA was significantly changed in 2015 due to the Government legislating to reduce Council House rents by 1% per year to 2020. Consequently, planned capital expenditure was reduced in the 10-year financial plan to reflect this reduction in resources.

Formulating the 2017/18 Base Budget

3.4 Budgets are generally calculated on a "no increase basis," i.e. they are maintained at the same level as the previous year adjusted only for known changes, price increases and variations due to contractual conditions, etc.

3.5 In addition, budgets are also subject to a base line review which is used to justify proposed spending. This process places responsibility on budget holders to justify their spending budgets by specifying their needs in a more constructed manner. This is supported by the Financial Services Unit, who analyse recent trends across services compared to current budgets.

On-going Service Provision

3.6 The budgets are based substantively on a continuation of existing service provision (in respect of staffing levels, frequency, quality of service, etc.).

3.7 The full year effects of previous year's restructures and budget savings have been included, with any non-recurring items removed.

Base Budget 2017/18

3.8 The HRA's Budget and longer-term financial projection up to 2026/27 is detailed in **Appendix 1**. A projection of this length is required for the HRA to ensure that future debt repayments and capital expenditure are affordable to ensure the longer-term sustainability of the Council's housing stock.

3.9 A summary of the base position on which the longer-term position is calculated, is shown in the following table.

HRA Base Budgets 2016/17 to 2017/18	Approved Budget 2016/17 £'000	Forecast 2017/18 £'000	Proposed Budget 2017/18 £'000	Change to Forecast £'000
INCOME				
Council House Rents	12,391	12,384	12,381	-3
Garage Rents	111	110	111	1
Income from Supported Housing (Careline, etc)	181	181	151	-30
Supporting People Grant	240	240	240	0
Total Income	**12,923**	**12,915**	**12,883**	**-32**
EXPENDITURE				
General Management	1,788	1,814	1,785	-29
Supported Housing	802	810	830	20
Bad Debt Provision	44	43	44	1
Responsive Repairs & Planned Maintenance	3,231	3,320	3,244	-76
Debt Interest	1,690	1,808	1,777	-31
Depreciation	2,985	3,042	3,417	375
Total Expenditure	**10,540**	**10,837**	**11,097**	**260**
Net Operating Income	**2,383**	**2,078**	**1,786**	**-292**
APPROPRIATION				
Contribution to Capital Works	-2,795	-1,800	-1,800	0
Contribution to Debt Repayment Reserve	0	-3,529	-3,550	-21
Contribution to New Build Programme	-1,000	0	0	0
Less Depreciation	2,985	3,042	3,417	375
Expenditure in excess of Depreciation	**-810**	**-2,287**	**-1,933**	**354**
Net Operating Income (as above)	2,383	2,078	1,786	-292
Less Expenditure in excess of Depreciation	-810	-2,287	-1,933	354
Less Pay and Inflation Contingency	-113	-57	-68	-11
Overall Surplus / Deficit (-)	**1,460**	**-266**	**-215**	**51**

3.10 The final column shows the difference between the forecast for 2017/18 and that now being proposed as the Base Budget for the year. The overall deficit is now estimated at £215,000 for 2017/18 compared to a forecast of £266,000. This is less, mainly due to management and maintenance costs being lower than forecast following the base budget review.

Council House Rents

3.11 The overall change between 2016/17 and 2017/18 is neutral. Although the 1% statutory deduction to rents has been applied, this has been offset by the additional rent from new properties built and acquired as part of the New Build programme in 2016/17. After allowing for Council House Sales, the number of properties is expected to increase from 2,970 in 2016/17 to 3,000 by the end of 2017/18.

Income from Careline Provision

3.12 This has not increased as anticipated and may now be subject to further review.

Supporting People Grant

3.13 This is the contribution from the County Council. It has been confirmed that this will continue in 2017/18.

New Build

3.14 In the previous forecast, it was expected that a further New Build Scheme (Yard Close, Swadlincote) would be undertaken in partnership with another social housing provider. However, this project is now unlikely to commence in the foreseeable future.

3.15 The previous forecast had allowed additional borrowing of approximately £1.9m to fund Phase 1 of the New Build Programme, with loans being taken out during 2016/17. Without Yard Close, new borrowing of approximately £400,000 is now anticipated and this borrowing will be undertaken in 2017/18.

3.16 The effect of this particular scheme on the longer-term Financial Plan is detailed later in the report.

Debt Interest

3.17 The reduction in anticipated borrowing reduces interest in 2017/18 by approximately £30,000.

3.18 Part of the existing debt portfolio includes £10m at a variable rate of interest. The budgets for 2016/17 and 2017/18 estimate an interest on this debt of 1.5% and 2.5% respectively.

3.19 There is currently some uncertainty in the economy on whether interest rates will increase over the next year. However, it is considered unlikely that rates will increase up to 2.5% by March 2018. Therefore, the cost of servicing debt is likely to be lower than budgeted, although this will be kept under review. A 1% variance in the rate equates to approximately £100,000 per year.

Depreciation

3.20 The increase is due to the additional properties through the New Build programme which will be depreciated in accordance with accounting practice.

3.21 Depreciation is calculated on the existing value and age of each property in the HRA. This is designed to ensure that the Council sets-aside sufficient resources to maintain and replace properties in future years.

3.22 The Council has an on-going capital programme and properties generally have a substantial useful life if maintained properly. Although the depreciation charge is included as a cost charged in the net operating income of the HRA, it is reversed out when calculating the overall surplus or deficit on the HRA.

3.23 However, under accounting regulations, the annual amount of capital expenditure, plus sums set-aside to repay debt, need to be greater than the depreciation charge for the year. This is effectively testing that the Council is properly maintaining and financing the liabilities associated with its housing stock.

3.24 Where the depreciation charge is lower than actual capital expenditure/debt repayment, the HRA would be charged with the difference in that particular year. For 2016/17 and 2017/18, expenditure is well in excess of depreciation.

The Longer-term Financial Projection

3.25 Following the introduction of the self-financing framework for the HRA in 2012, this generated a surplus for the HRA as the Council was no longer required to pay a proportion (approximately 40%) of its rent income to the Government in accordance with a national redistribution framework.

3.26 This released resources, which in the early years of the Housing Business Plan, were available for capital investment in the existing stock, together with resources for New Build. Surpluses in later years are to be used to repay the debt that the Council inherited in return for becoming “self-financing” and to continue a programme of capital maintenance in future years.

3.27 The HRA budget and projection is based on the principles that the HRA will carry a minimum unallocated contingency of at least £1m as a working balance and that sufficient resources are set-aside in an earmarked reserve to repay debt as instalments become due.

HRA Reserves

3.28 The HRA has 3 separate reserves as detailed in the following table.

Working Balance	Held as a contingency with a minimum balance of at least £1m.
New Build Reserve	Accumulated Capital Receipts pending expenditure on building new properties. The financial model assumes that these are drawn down each year to finance New Build ahead of any further borrowing. Therefore, the carrying balance from year to year remains low.
Debt Repayment Reserve	Sums set-aside to repay debt; contributions to the Reserve start from 2016/17 in accordance with the debt repayment profile.

The Updated Financial Position

3.29 Following the base budget review, the 10-year Financial Plan for the HRA has been reviewed and updated. This is detailed in **Appendix 1**. The overall position has improved marginally compared to the previous forecast due to the slight reduction in the estimated deficit for 2017/18.

3.30 The removal of the anticipated project at Yard Close has had a fairly neutral effect; the initial capital costs and associated borrowing have been offset by a reduction in rent income (from new properties) from 2018/19 (*it was anticipated that these new properties would be let from January 2018*).

3.31 Overall, the Plan shows a sustainable position although as previously reported, it is much tighter than 18 months ago.

Debt Repayments and Borrowing

3.32 The Council took on the management of debt valued at £58m in 2012. In addition, as part of the financial package to complete the New Build programme, it is planned to borrow a further £400,000 in 2017/16. This new borrowing is included in the Financial Plan.

3.33 The following debt repayments are due over the life of the current financial plan:

- 2021/22 - £10m
- 2023/24 - £10m
- 2026/27 - £10.4m

3.34 The financial projection to 2026/27 shows that these repayments can be met. The next repayments are not then due until beyond 2030.

Key Variables and Assumptions

3.35 The Financial Plan is based on certain assumptions in future years regarding what are considered to be the key variables. These are summarised in the following table.

Cost inflation	2.5% per year. This is lower than the current level of inflation although some economic forecasts predict that a level of 2.5% could be seen in the medium-term. A provision of 2.5% in the short-term is considered prudent to reflect that prices for materials in the building industry tend to rise quicker than average inflation.
Annual rent increases	A 1% reduction per year for 4 years (2016/17 to 2019/20) in accordance with the Welfare Reform and Work Act 2016. Thereafter, CPI + 1% giving 2.5% increases in 2020/21 and 2021/22 and 3% per year thereafter.

Council house sales – "Right to Buys"	18 2016/17 and 15 in 2017/18. Future years are based on targets set by the Government in calculating the self-financing settlement. These reduce incrementally per year eventually reaching 10 per year by 2023.
Interest Rates	Predominantly fixed; £10m variable debt at 1.5% in 2016/17, rising to 2.5% in 2017/18 and to 3% in 2018/19 until maturity in 2021/22.
New Debt	£400,000 borrowed in 2017/18, as detailed earlier in the report, at a fixed rate of 3.5% for 10 years. In accordance with the Council's Treasury Management Strategy, this borrowing will not be undertaken if additional capital receipts are generated. Due to the amount of cash reserves, internal borrowing between the General Fund and HRA could be used at a lower cost. This will be kept under review in the Treasury Management Strategy.

Financial Risks

3.36 As highlighted earlier in the report, the Financial Plan is now much tighter and overall, the HRA has fewer resources at its disposal compared to the previous plan. The main risks are considered to be those as detailed in the following sections.

Future Rent Levels

3.37 The biggest risk in the Financial Plan is considered to be future rent levels. The rent level from 2016/17 to 2019/20 has been set in accordance with statutory requirements i.e. a 1% reduction for each of those years.

3.38 Beyond this, it has been assumed that rents will again be allowed to rise. The Government has previously indicated that they have only suspended the previous rent policy for these years until Universal Credit (UC) is fully implemented.

3.39 The Housing Minister, at that time, also stated that future rent increases would return to inflation-linked formula. However, this is not guaranteed and it is now uncertain how the subsequent delay in the full implementation of UC, possibly to 2021/22, will impact.

3.40 Clearly, the HRA is dependent on rent income (currently £12.4m per year) for its resources. Even small variations in rent changes (e.g. 0.5%) can have significant implications in monetary terms for the Financial Plan over the longer-term.

Right to Buys

3.41 A moderate decrease in current properties from sales continues to be built into the Financial Plan and this reflects the current level of sales. Therefore, the HRA will continue to generate resources for further New Build and capital works in the future, although on-going rent income is lost.

3.42 The main risk relates to a sudden surge in sales; although this will generate capital, the loss in on-going rental income could have a much more adverse impact on the HRA.

Supporting People Grant

3.43 It has been assumed that this continues (cash limited) over the Financial Plan; However, this will be subject to policy decisions and directions from the County Council. There have been indications in recent years that this could be reduced from its current level and is currently subject to annual review.

3.44 In the meantime, an operational review of associated services is being undertaken to consider options if the Grant is withdrawn. Consequently, it is planned to submit a separate report to the Committee at a later date detailing any proposals.

Impairment

3.45 Impairment is an accounting adjustment that reflects a sudden reduction in the value of an asset. An asset becomes impaired where a one-off event (e.g. fire, vandalism, etc.) causes significant damage or there is a significant change in market conditions, which reduces the value of the asset.

3.46 In accordance with accounting regulations, provision has to be made in an organisation's accounts for the loss in an asset's value through impairment. However, as with depreciation, this is purely an accounting exercise for local authorities. Impairment charges are reversed out of revenue accounts to ensure that it does not affect the "bottom line" and Rent (in the HRA's case) payable by Council Tenants.

3.47 The Government are currently reviewing this accounting treatment to bring local authorities into line with other organisations in accordance with International Reporting Standards. This is being challenged by the relevant professional bodies.

3.48 Large impairment adjustments are rare. In addition, impairment needs to affect the wider asset base. For example, damage to one property would not affect the overall value of the Council's stock, which is currently valued at £90m in total.

3.49 Clearly however, if there was a wider event affecting many properties, this would lead to an impairment charge. It is considered that the most likely scenario is a sudden fall in property values as this would affect the overall valuation of the stock. The potential for impairment charges could have serious implications for all housing authorities and this is why it is being challenged.

Changes in Central Government Policy

3.50 Although the HRA continues to operate under a self-financing framework, Central Government retain the power to change policy in many areas which can impact upon the Financial Projection.

Changes to Welfare Reform and Universal Credit (UC)

3.51 Although UC is still some years away from potentially impacting on all Council Tenants, there is concern amongst housing professionals that changes could see a reduction in payment of rent and an increase in arrears.

3.52 Currently, Housing Benefit is paid directly to a tenant's Rent Account where this is due. In a system of Universal Credit, the benefit element is effectively paid direct to the Tenant. The Pilot Schemes and evidence locally suggests that this gives the potential for Tenants to default on their rent payments.

3.53 In order to mitigate against this risk, intervention may be necessary between the Landlord and the Tenant. This can place additional pressure on resources and increase the management costs in the HRA.

Future Spending

3.54 Given that the Financial Plan for the HRA remains tight and that there are still several risks that could impact on the longer-term projection, it is important that any future spending decisions are fully analysed for their affordability and the effect upon the longer-term Financial Plan. In addition, it is important that services are kept under review given that future budgetary pressures may arise in the medium-term.

Rent Levels

3.55 As previously highlighted, the Council is now required to follow provisions contained in the Welfare Reform and Work Act 2016. This requires the Council to reduce current rents for tenants by 1% per year, effective from the financial year 2016/17.

3.56 The starting point for the 1% reduction is the rent level that existed on 8th July 2015, i.e. the date of Central Government's Budget which proposed the statutory provisions. However, this is different when voids are relet to new tenants.

3.57 There is now a mixture of rent levels that exist in the "self-financing" system which apply to existing and new tenants, together with those that apply to properties built or acquired as part of the New Build programme. These are detailed below:

- **The Base (Current) Rent:** This is the actual rent that applied in July 2015. For many tenants, this rent is lower than the "Formula Rent" that existed in the previous Rent Restructuring System. This rent will remain unless a property becomes void.

- **Formula Rent:** This was a rent level (target) set nationally as part of Central Government's Rent Restructuring Policy. Approximately 2/3rds of the Council's properties were below this Target and were being phased-in towards the Target over a 10-year period.

  This phasing ended in 2014/15, although a Formula Rent for each property remains. Councils have the option to relet void properties to new tenants at the Formula Rent and this is part of the Council's Rent Policy. The Formula Rent is generally lower than Social Rents.

- **Social Rent:** This is determined by the Department for Communities and Local Government (DCLG). Generally, it reflects rents charged by Registered Social Landlords in the area. New Build properties have to be let at Social Rent levels, unless they have been partly funded by grant from the Homes and Communities Agency (HCA). In that case, properties need to be let at an "Affordable Rent." Void properties, when relet to new tenants, can also be let at Social Rent levels.

- **Affordable Rent:** This is 80% of the Market Rent and tends to be higher than Social Rents

- **Market Rent:** This is determined by the District Valuer and reflects rent levels in the private rented sector in the area.

Proposed Rent Levels 2017/18

3.58 In accordance with the statutory provisions, current rents (from whatever basis) will be reduced by 1%. For 2016/17, councils had the option of exempting tenants in Supporting Housing (or Sheltered Housing properties) from the 1% reduction. This was in response to concerns raised nationally that the reduction would reduce resources available to provide services to this group of tenants.

3.59 The Council approved, in February 2016, to freeze the current rents of tenants in Supported Housing in 2016/17. However, the 1% reduction will apply universally from 2017/18.

Effect on Individual Tenants

3.60 Having calculated rents for individual tenants, the average rent level for existing council tenants will reduce from £80.61 per week in 2016/17 to £80.32 in 2017/18, a reduction on average of 29p per week (0.4%).

3.61 This lower than 1% as the new properties (45 in total) added to the Council's housing stock following the New Build programme have been let at a mixture of social and affordable rents. These rents are on average higher than current Council rents at £94 per week.

Limit Rent

3.62 This is effectively a cap (set by the DWP each year) that the Council's average rent needs to stay below, to avoid a financial penalty through loss of benefit subsidy for rent rebates. However, New Build properties let at Affordable Rent levels are excluded from this Limit.

3.63 For 2016/17, the Council Limit Rent was set at £81.19p per week, which is above the Council's average rent of £80.61. The Limit Rent is still to be notified to the Council for 2017/18.

4.0 Financial Implications

4.1 As detailed in the report.

5.0 Corporate Implications

5.1 There are no other legal, HR or other corporate implications apart from that considered in the report.

6.0 Community Implications

6.1 The proposed budgets within the HRA provide the financial resources to enable many of the on-going services and Council priorities associated with Council Housing to be delivered to its tenants.

7.0 Background Papers

7.1 None

APPENDIX 1

HOUSING REVENUE ACCOUNT FINANCIAL PROJECTION

	2016.17	2017.18	2018.19	2019.20	2020.21	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27
	Approved Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
INCOME											
Rental Income	-12,457	-12,381	-12,286	-12,109	-12,358	-12,854	-12,940	-13,279	-13,631	-13,992	-14,363
Non-Dwelling Income	-111	-111	-110	-108	-111	-114	-117	-121	-125	-128	-132
Supporting People Grant	-240	-240	-240	-240	-240	-240	-240	-240	-240	-240	-240
Other Income	-181	-151	-151	-151	-151	-151	-151	-151	-151	-151	-151
Total Income	**-12,989**	**-12,883**	**-12,787**	**-12,608**	**-12,860**	**-13,359**	**-13,448**	**-13,791**	**-14,147**	**-14,511**	**-14,886**
EXPENDITURE											
General Management	1,788	1,785	1,809	1,836	1,866	1,897	1,929	1,961	1,994	2,028	2,062
Supporting People	802	830	844	860	879	899	919	941	963	986	1,010
Responsive	1,247	1,276	1,298	1,323	1,351	1,381	1,410	1,441	1,472	1,504	1,536
Planned Maintenance	1,984	1,968	2,010	2,054	2,100	2,148	2,197	2,248	2,299	2,351	2,405
Bad Debt Provision	44	44	43	42	43	45	45	46	48	49	50
Interest Payable & Receivable	1,690	1,777	1,827	1,827	1,827	1,828	1,528	1,528	1,258	1,259	1,259
Depreciation	2,985	3,417	3,180	3,170	3,160	3,151	3,142	3,135	3,128	3,121	3,114
Net Operating Income	**-2,449**	**-1,786**	**-1,776**	**-1,496**	**-1,634**	**-2,010**	**-2,278**	**-2,491**	**-2,985**	**-3,213**	**-3,450**
Reversal of Depreciation	-2,985	-3,417	-3,180	-3,170	-3,160	-3,151	-3,142	-3,135	-3,128	-3,121	-3,114
Capital Expenditure	2,795	1,800	1,843	1,888	1,935	1,983	1,692	1,733	1,777	1,816	1,847
Debt Repayment	0	3,550	1,624	1,282	1,225	1,168	1,450	1,402	1,351	1,305	1,267
New Build Contribution	1,000	0	0	0	0	0	0	0	0	0	0
Potential Restructure Costs	27	41	60	73	73	74	75	77	78	80	82
Pension Deficit	0	11	13	10	11	11	11	12	12	12	13

Accumulated Absence reversal	0	0	0	0	0	0	0	0	0	0	0
Pension Reserve adjustments	0	0	0	0	0	0	0	0	0	0	0
Potential Early Termination Costs	80	0	0	0	0	0	0	0	0	0	0
Orchard upgrade	0	0	83	0	0	0	0	0	0	0	0
Delays on New Build (income deferred)	67	0	0	0	0	0	0	0	0	0	0
Job Evaluation On-going Support Costs	0	10	0	0	0	0	0	0	0	0	0
Incremental Salary Increases	6	6	6	6	6	6	6	6	6	7	7
HRA (Surplus) / Deficit	**-1,460**	**215**	**-1,328**	**-1,407**	**-1,543**	**-1,919**	**-2,185**	**-2,396**	**-2,888**	**-3,115**	**-3,349**

HRA Reserve B/fwd	-1,426	-1,599	-1,134	-1,162	-1,118	-1,311	-1,880	-1,966	-1,862	-2,250	-2,064
(Surplus) / Deficit for year	-1,460	215	-1,328	-1,407	-1,543	-1,919	-2,185	-2,396	-2,888	-3,115	-3,349
Earmarked non-traditional properties	0	0	100	200	100	100	100	0	0	0	0
Transfer to Debt Repayment Reserve	1,287	250	1,200	1,250	1,250	1,250	2,000	2,500	2,500	3,300	1,000
HRA Reserve C/fwd	**-1,599**	**-1,134**	**-1,162**	**-1,118**	**-1,311**	**-1,880**	**-1,966**	**-1,862**	**-2,250**	**-2,064**	**-4,414**

	2016.17 Approved Budget £'000	**2017.18 Forecast £'000**	**2018.19 Forecast £'000**	**2019.20 Forecast £'000**	**2020.21 Forecast £'000**	**2021.22 Forecast £'000**	**2022.23 Forecast £'000**	**2023.24 Forecast £'000**	**2024.25 Forecast £'000**	**2025.26 Forecast £'000**	**2026.27 Forecast £'000**
Debt Repayment Reserve											
Balance B/fwd	-1,703	-2,990	-6,790	-9,714	-12,446	-15,021	-7,539	-11,089	-4,991	-8,842	-13,447
Depreciation balance	0	-3,550	-1,624	-1,282	-1,225	-1,168	-1,450	-1,402	-1,351	-1,305	-1,267
Transfers to reserve	-1,287	-250	-1,200	-1,250	-1,250	-1,250	-2,000	-2,500	-2,500	-3,300	-1,000
Earmarked non-traditional properties	0	0	-100	-200	-100	-100	-100	0	0	0	0
Repayment of loan	0	0	0	0	0	10,000	0	10,000	0	0	10,406
Reserve C/fwd	**-2,990**	**-6,790**	**-9,714**	**-12,446**	**-15,021**	**-7,539**	**-11,089**	**-4,991**	**-8,842**	**-13,447**	**-5,308**

New Build Reserve

Capital Receipts B/fwd	-768	0	-478	-953	-1,322	-1,688	-2,000	-2,309	-2,511	-2,710	-2,910
New Build Expenditure - phase 1	1,180	0	0	0	0	0	0	0	0	0	0
Contribution to Reserve	-1,000	0	0	0	0	0	0	0	0	0	0
Easements	0	0	0	0	0	0	0	0	0	0	0
Feasibility / Other costs	13	0	0	0	0	0	0	0	0	0	0
Acquisitions - Alexander Road	219	0	0	0	0	0	0	0	0	0	0
Proposed Lullington Rd	583	0	0	0	0	0	0	0	0	0	0
Acquisitions - Rowley Court	910	0	0	0	0	0	0	0	0	0	0
HCA grant	-95	0	0	0	0	0	0	0	0	0	0
RTB Receipts in year	-636	-478	-475	-369	-366	-312	-309	-202	-199	-199	-199
Borrowing in year	-406	0	0	0	0	0	0	0	0	0	0
Balance c/fwd	**0**	**-478**	**-953**	**-1,322**	**-1,688**	**-2,000**	**-2,309**	**-2,511**	**-2,710**	**-2,910**	**-3,109**