

# ANNEXE 1

## HOUSING REVENUE ACCOUNT

### Business Plan Assumptions

|   | 2015-2016 |
|---|-----------|
| <b>WAVERLEY ASSUMPTIONS</b>   |           |
| Estimated housing stock   | 4,835     |
| Inflation   |           |
| Contracts   | 1.6%      |
| Rents( <i>Sept RPI +0.5%</i> )  | 2.8%      |
| 2016/17 onwards (assumed)   | 3.0%      |
| Includes Rental income Growth   | 0.5%      |
| Management  | 1.6%      |
| Stock growth through new homes programme<br>Over remaining life of Business Plan        | 283       |
| Average interest rate on borrowing  | 3.0%      |
| Stock Loss through right-to-buys over remaining<br>life of Business Plan                | 218       |
| Percentage of voids assumed   | 2.125%    |
| Provision for bad debts   | £25k/year |
| Investment Contributions for 15/16 and 16/17<br>To New Affordable Homes. To be reviewed | 100%      |
| Minimal anticipated impact of new depreciation<br>accounting                            |           |
| Responsive maintenance budget realigned to<br>reflect current demand                    | £200k     |
| Revenue void work realigned   | £100k     |