

Rossendale Borough Council Stock Transfer to Green Vale Homes

Sums to be Received by the Council

	Assets Transferred and Commercial Deal" £000	Right to Buy Share		VAT Share		Total £000
		Council Element £000	Affordable Housing Element £000	First 70% of Spending £000	Remaining 30% of Spending £000	
At Point of Transfer	1,500					1,500
Year 1 - 2006/07		900	770	540	217	2,427
Year 2 - 2007/08		900	776	550	221	2,447
Year 3 - 2008/09		900	538	560	225	2,223
Year 4 - 2009/10		900	409	570	229	2,108
Year 5 - 2010/11		900	110	580	233	1,823
Year 6 - 2011/12			83	290	116	489
Year 7 - 2012/13				300	120	420
Year 8 - 2013/14				310	124	434
Year 9 - 2014/15				320	128	448
Year 10 - 2015/16				320	128	448
Total	1,500	4,500	2,686	4,340	1,741	14,767

Notes

1. The flow of cash under the right to buy sharing agreement is based on 188 sales over the first five years and an even spread of sales over the course of the year. The Council sold 125 properties in 11 months during 2005/06.
2. Any capital receipts in excess of the figures shown will under the terms of the agreement be added to the affordable housing element.
3. The Council is entitled to just over 49% of the total funds flowing from the VAT Shelter Agreement. The potential theoretical maximum available is just over £6m. However, it is unlikely that all relevant expenditure will be VAT'able. Therefore the total has been split in two assuming 70% is VAT'able which is relatively certain with the balance being correspondingly uncertain and ignored until it is realised in terms of resource allocation.
4. Given the above there is a total resource to allocate of £13.026m

Proposed Utilisation of Resources

	Receipts in Year (Excluding 30% VAT Share £000)	Balance Brought Forward £000	Available in Year £000	Set Up Costs and Accountns Items £000	Support for the Council's Capital Programme £000	Contribution to Council's Pension Deficit £000	"Buy Out" Elements of IT Contract £000	IT Investment/ Replacement £000	Affordable Housing £000	Bacup Leisure Hall £000	Total Utilised £000
At Point of Transfer	1,500		1,500	1,500							1,500
Year 1 - 2006/07	2,210	0	2,210		900	350	50	100			1,400
Year 2 - 2007/08	2,226	810	3,036		900	350	50	75	400		1,775
Year 3 - 2008/09	1,998	1,261	3,259		900	350	50	50	400		1,750
Year 4 - 2009/10	1,879	1,509	3,388		900	350	50	50	400	120	1,870
Year 5 - 2010/11	1,590	1,518	3,108		900	350	50	50	400	130	1,880
Year 6 - 2011/12	373	1,228	1,601			350		50	400		800
Year 7 - 2012/13	300	801	1,101			350		50	400		800
Year 8 - 2013/14	310	301	611			200		50	286		536
Year 9 - 2014/15	320	75	395			75		50	265		390
Year 10 - 2015/16	320	5	325			75		50	200		325
Total	13,026			1,500	4,500	2,800	250	575	3,151	250	13,026

Notes

1. Any surplus funds in relation to set up costs etc, will be available to support the Council's capital programme.
2. The cash flow for affordable housing is dependant upon Green Vale Homes coming forward with schemes and should be regarded as illustrative.
3. The cash flow for a scheme at Bacup Leisure Hall is illustrative only.