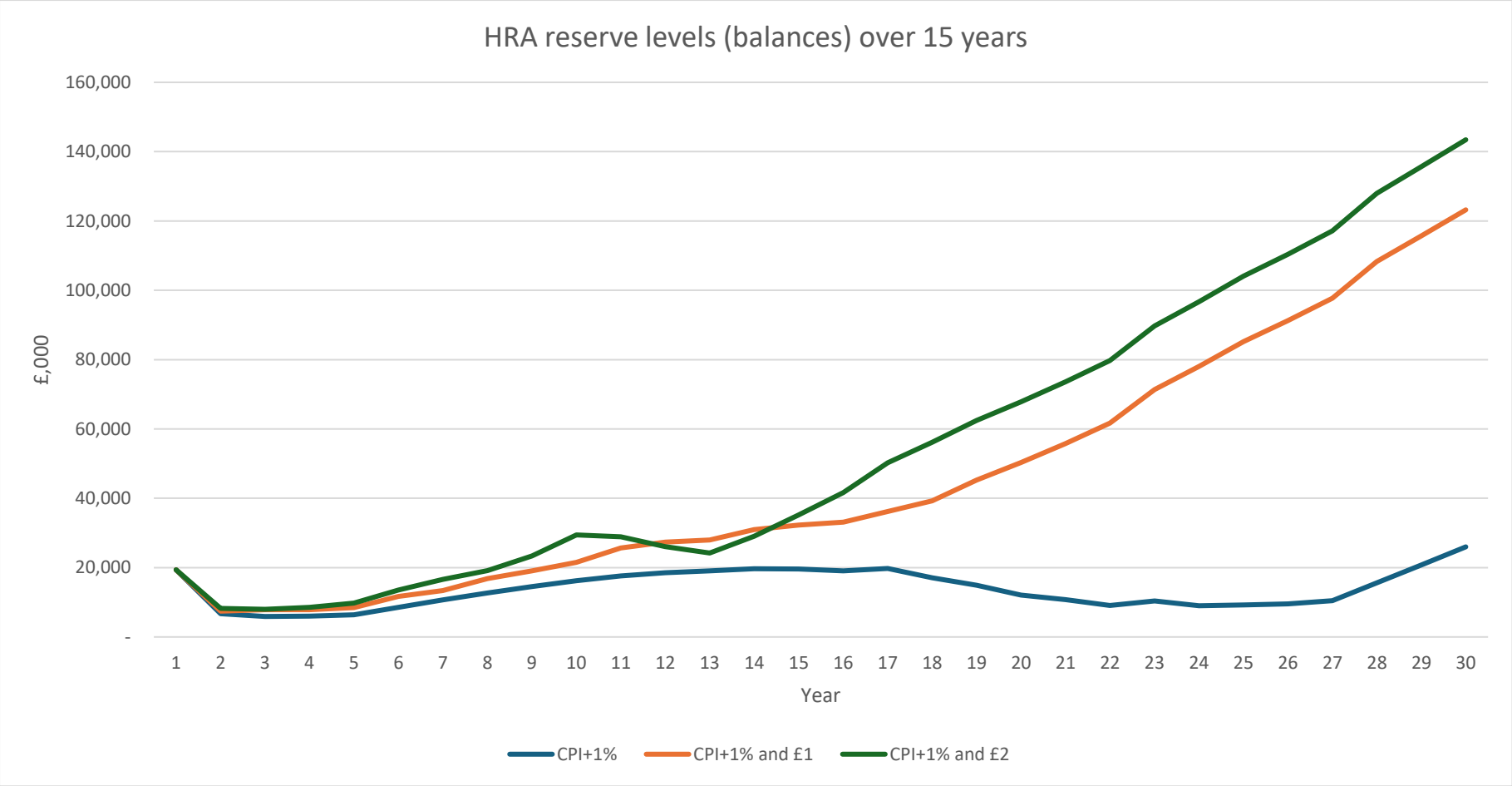
Appendix 3 – HRA Reserve Levels




At CPI+1% reserve levels increase at a slower rate and level out from year 12 to 17 when they begin to fall again. Both CPI+1% plus £1 and CPI+1% plus £2 result in a healthy balance position. The drop in balances on CPI+1% plus £2 in year 13 relates to the earlier payback of borrowing for investment in existing stock.