

**Strategic Access Management and Monitoring
Illustrations of Contributions for the Capital Fund**

Terms:

Inflation equals the assumed rate of inflation for each of the 17 years of the build programme
 Inflated Annual Cost is the cost of maintenance in 2026 after 17 years of inflation
 Rate of interest earned on the capital sum in 2026
 Capital Sum required to generate the sufficient interest to cover the inflated annual cost
 Contribution required from each of the 48,000 houses in the build programme

All figures are at November 2008 prices.

	Inflation	Inflated Annual Cost in 2026	Rate of Interest in 2026	Capital Sum Required	Contribution per House
Current proposal	3%	£812,000	2%	£40,600,000	£718
	3%	£812,000	3%	£27,067,000	£440
	4%	£957,000	3%	£31,900,000	£519
	4%	£957,000	4%	£23,925,000	£358
	5%	£1,126,000	3%	£37,533,000	£611
	5%	£1,126,000	4%	£28,150,000	£421
	5%	£1,126,000	5%	£22,520,000	£309