

## BUDGET MONITORING 2014/15 - PROVISIONAL OUTTURN AS AT 31 MARCH 2015

	FULL YEAR - 2014/15			Comments	Jan
	Full Year Budget £000	Actual Outturn £000	Variance £000		2014/15 £000
<b><u>INCOME</u></b>					
Rental Income - Dwellings, Direct Access Units & Garages	-60,374	-60,006	367	Shortfall overall in projected Rent and Service Charge Income. Void Levels - in-year relet performance on lettable stock has improved ie Mar 2015 relet times 28.37 days compared to 37.60 days in March 2014, however, this has been more than offset by large proportion of voids which are currently non-lettable, mainly within the Sheltered Estate, hence overall rental income down on budget (£0.220m). Income collection performance is still relatively high compared to target ie 97.47% to end of March compared to target of 97.75%, even though have more non-benefittable income to collect which puts upward pressure on levels of arrears. In addition stock levels lower than anticipated due to Right To Buy and demolitions in 2013/14 (£0.205m), changes in Housing Benefit and closure of Alex Street (£0.083m), reduction in Sheltered Housing Officer charge income (£0.030m), and a reduction in garage income (£0.025m). These shortfalls are partially offset by an increase in service charge income, mainly from furniture packs (£0.196m).	288
Rental Income - Shops & Offices etc.	-198	-225	-27		-18
Interest on Mortgages	0	0	0		0
Interest on Balances	-10	-40	-30		-20
PFI Credits	-7,739	-7,868	-129	The overall PFI credits for the scheme were reduced by £0.046m per annum to reflect the final deal and savings taken by Government (shared 50:50 with the Council). However, due to phasing of payments, additional credits have been received in 2014-15 in relation to 2013-14 (£0.179m). These payments will be transferred into the PFI Reserve and will have no impact on the overall delivery of the scheme	-129
	<b>-68,320</b>	<b>-68,139</b>	<b>181</b>		<b>121</b>
<b><u>EXPENDITURE</u></b>					
Capital Charges - Net Effect	13,284	13,106	-178	A decrease in Debt Management Expenses of £0.025m for refinancing of current loan portfolio and external debt advice, along with a decrease in Interest Charges of £0.153m due to the continuation of the policy to refinance current loans for short term periods.	-181
HRA Management Costs	10,255	9,520	-735	Range of variances across a number of Cost Centres e.g. Increased costs for Technical Consultants in relation to the delivery of the North Tyneside Living Project, Council Tax void costs, offset by increased income from water rates, a reduced need for Disturbance costs in relation to the delivery of the North Tyneside Living Project, overall accumulates to estimated underspend of £0.735m for 2014/15.	-313

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PFI Contract Costs	9,424	9,553	129	The overall PFI credits for the scheme were reduced by £0.046m per annum to reflect the final deal and savings taken by Government (shared 50:50 with the Council). However due to phasing of payments additional credits have been received in 2014-15 in relation to 2013-14 (£0.179m) these payments will be transferred into the PFI Reserve and will have no impact on the overall delivery of the scheme	129
Repairs	11,392	11,409	17		-30
Revenue Support to Capital Programme	6,913	6,566	-347	Underspend of £0.347m to allow for treatment of Depreciation on Non-Dwelling Assets, which cannot be reversed out as can be for Depreciation on HRA dwellings.	0
Contribution to Housebuilding Fund	1,071	1,071	0		0
Contribution to Major Repairs Reserve - Depreciation	14,226	14,603	377	Depreciation charge for all HRA dwellings and non-dwelling assets as per Self-Financing model. Additional charge of £0.347m for non-dwelling assets, these effectively hit the bottom line and cannot be reversed out under the proxy arrangements for the stock. This has been compensated for by reducing revenue contributions, and provides the same end result re financing for Capital overall.	0
Contingencies, Bad debt Provision & Transitional Protection Payments	809	640	-169	Provision for Bad Debt £2k over budget (£0.640m) due to significant increase in arrears by year end and reduced level of anticipated write-offs. Reduction in Transitional Protection for Sheltered Housing tenants of £0.055m due to delays in the start date of the Quality Homes for Older People project and the contingency of £0.116m in effect has been allocated against Rental Income shortfalls.	-188
Pension Fund Deficit Funding	792	792	0		0
	<b>68,167</b>	<b>67,261</b>	<b>-906</b>		<b>-583</b>
	<b>-153</b>	<b>-878</b>	<b>-724</b>		<b>-462</b>
<b>BALANCES BROUGHT FORWARD</b>	<b>-2,495</b>	<b>-2,854</b>	<b>-359</b>		<b>-359</b>
<b>BALANCES TO CARRY FORWARD</b>	<b>-2,648</b>	<b>-3,732</b>	<b>-1,083</b>		<b>-821</b>