

BUDGET MONITORING 2015/16 - FORECAST OUTTURN AS AT 30 NOVEMBER 2015

	FULL YEAR - 2015/16			Comments	Variance
	Full Year Budget £000	Forecast Outturn			Sept 2015
		Forecast Outturn £000	Variance £000		£000
INCOME					
Rental Income - Dwellings, Direct Access Units & Garages	-61,072	-60,969	103	There is a shortfall in the overall projected rent and service charge income, however, that shortfall is reducing steadily through the year. Main factors in overall position: Higher than anticipated levels of voids mainly due to delays in the North Tyneside Living project (£0.281m); Reduced forecast garage rent (£0.026m); reduced Sheltered Housing Landlord Charge recovery (£0.030m). These reductions are offset by an over-achievement in dispersed unit income (£0.007m), and a significant increase in the levels of service charge income (£0.227m). Overall rent collection performance is down on the previous year, standing at 96.89% of collectable rent at the end of September, compared to 97.47% at the same stage last year.	185
Other Rental Income - Shops & Offices etc.	-200	-250	-50	Additional income mainly re Purley Close block leased to Corporate Parenting and Placements. This is offset initially by increased costs for refurbishment incurred as part of scheme start-up.	-50
Interest on Balances	-30	-40	-10		-10
PFI Credits	-7,693	-7,693	0		0
	-68,994	-68,952	42		124
EXPENDITURE					
Capital Charges - Net Effect	12,682	12,226	-456	There is an estimated saving of £0.441m in Interest charges due to the continuation of the policy to refinance maturing loans with temporary rather than long-term borrowing. £12.2m of loans maturing in November have been re-financed for a further 3 months at rates between 0.42% and 0.48% compared to rates circa 3.5% for long-term debt. There decision was taken following indications that interest rate rises are not anticipated now until next year.	-226
HRA Management Costs	10,221	10,238	17		21
PFI Contract Costs	9,467	9,467	0		0
Repairs	11,567	11,567	0		0
Revenue Support to Capital Programme	8,236	8,236	0		0
Contribution to Housebuilding Fund	1,071	1,071	0		0

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Contribution to Major Repairs Reserve - Depreciation	14,649	14,707	58	Impact of rebasing MRA calculations in line with the original Self-Financing model. Provision for Bad Debt forecast on budget at this stage but outturn will depend on arrears trends over the next few months and continuing impact of Welfare Reform; Transitional Protection budget created to protect existing tenants from rent impact of North Tyneside Living scheme will underspend due to delays (£80k); Contingency anticipated to be spent on sheltered staffing cover and Discretionary Housing Payments unlikely now to be spent (£90k).	58
Contingencies, Bad debt Provision & Transitional Protection Payments	918	747	-171		-171
Pension Fund Deficit Funding	823	823	0		0
	69,634	69,083	-552		-317
	640	131	-509		-193
BALANCES BROUGHT FORWARD	-3,310	-3,732	-422		-422
BALANCES TO CARRY FORWARD	-2,670	-3,601	-931		-615