

## BUDGET MONITORING 2015/16 - FORECAST OUTTURN AS AT 31 JANUARY 2016

	FULL YEAR - 2015/16			Comments	Variance
	Full Year Budget £000	Forecast Outturn			NOV 2015
		Forecast Outturn £000	Variance £000		£000
<b>INCOME</b>					
Rental Income - Dwellings, Direct Access Units & Garages	-61,072	-60,974	98	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 (£0.277m); Reduced forecast garage rent (£0.025m); reduced Sheltered Housing Landlord Charge recovery (£0.031m). These reductions are offset by an over-achievement in dispersed unit income (£0.003m), and a significant increase in the levels of service charge income (£0.232m). Overall rent collection performance is down on the previous year, standing at 97.30% of collectable rent at the end of December, compared to 97.59% at the same stage last year.	103
Other Rental Income - Shops & Offices etc.	-200	-254	-54	Additional Income mainly re Purley Close block leased to CYPL. 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
	<b>-68,995</b>	<b>-68,961</b>	<b>34</b>		<b>42</b>
<b>EXPENDITURE</b>					
Capital Charges - Net Effect	12,682	12,225	-457	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 which 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. This decision was taken in the light of the Governor of the Bank of England's statement that interest rate rises are not anticipated now until next year.	-456
HRA Management Costs	10,221	10,233	12		17
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.	58
Contingencies, Bad debt Provision & Transitional Protection Payments	918	535	-383	Housing forecasting significant reduction in arrears write-offs, leading to reduction in estimated Provision for Bad Debt in-year, coupled with delays in impact of welfare reform changes on arrears levels (£133k); 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 in-year (£170k).	-171
Pension Fund Deficit Funding	823	823	0		0
	<b>69,634</b>	<b>68,864</b>	<b>-770</b>		<b>-552</b>
	<b>640</b>	<b>-97</b>	<b>-736</b>		<b>-509</b>
<b>BALANCES BROUGHT FORWARD</b>	<b>-3,310</b>	<b>-3,732</b>	<b>-422</b>		<b>-422</b>
<b>BALANCES TO CARRY FORWARD</b>	<b>-2,670</b>	<b>-3,829</b>	<b>-1,158</b>		<b>-931</b>



