Agenda Item 5

Report to: **Elsea Park Community Trust Board Meeting**

Date: **Wednesday 7th January 2015**

Subject: **Finance Report**

From: **Rebecca Jones – Finance and Administration Officer**

1.0 Budget 2015/2016

The full Budget 2015/2016 for Board approval has been printed and bound ready for the meeting. This will not be sent out via email but can be collected or delivered should recipients wish to read them prior to the meeting.

2.0 Annual Charge setting 1st April 2015

	Avg % 2014	1st April 15 Annual Charge £	Total increase from 14/15 £
RPI	2.45	281.67	6.74
CPI	1.54	279.16	4.23

Notes

Variance between RPI and CPI Annual Charge £:	2.50	
If CPI % increase was selected, the Trust would collect £ less than predicted with RPI:	2,707.02	*(Based on 1082 dwellings)*

Recommendations

Board decision required on 2.0

In reaching a decision, Directors are advised that The Deed of Covenant established the requirement to use the RPI. It states that an alternative index can be substituted if the RPI "ceases to be published or if the said index or the basis on which it is calculated or published is altered to a material extent".

The previous calculations are based on figures up to and including November 2014. In order to get a full year average I will need to confirm if there has been any further change once the December 2014 figure is released on 14th January 2015.

Last year, the annual charge increase was sent via email to all Directors after the release date. I request that we follow the same process this year in order to meet the invoice run deadline outlined below.

3.0 Information on Setting the Charge in January 2014

- The format of the invoice will remain the same as that issued on 1st April 2014
- The invoice run is due to commence on 2nd February 2015. All residents will receive their invoice by 28th February 2015 at the latest.
- Payment methods will once again be outlined on the back of the invoice.
- The following will be included with the invoice:

  - A covering letter highlighting the Trust's achievements over the past year and outlining our future plans.
  - An individual Statement of Account.
  - Activity Sheet and latest Centre offers.
  - An explanatory note outlining the number of First and Second Chase letter sent out last year advising that anyone who receives a chase letter must settle their account in full and will not have the option of paying by Direct Debit.
  - A Direct Debit Mandate (to any member who does not currently pay via direct debit).
  - A note advising members that anyone wishing to pay via Direct Debit:

    Must ensure that a properly completed Direct Debit mandate is received by (TBC)

    That any costs incurred by The Trust due to a Direct Debit failing (due to insufficient funds etc) will be passed back to that member.

Post Meeting Note: *It was subsequently decided that an article on achievements / future plans, activities, and the chase process would instead be included with the next Newsletter.*