

## Financial Analysis Revised April 2014

1. The profile of payments changes year by year over the 3 year programme, with an increasing proportion dependent on results, as follows:-

	Upfront attachment fees	Results based payments in arrears
2012/13	80%	20%
2013/14	60%	40%
2014/15	40%	60%

2. Applying to this standard national profile the Stockton figure of 379 families eligible for payment, and applying the revised start figures of 40%, 50%, 10% produces the following local profile:-

	Families	Upfront attachment fees £	Results based payments in arrears £	Total £
2012/13	152	486,400	121,600	608,000
2013/14	190	456,000	304,000	760,000
2014/15	37	59,200	88,800	148,000
<b>Total</b>	<b>379</b>	<b>1,001,600</b>	<b>514,400</b>	<b>1,516,000</b>

3. Making a prudent assumption that we will only achieve 75% of the results based payments yields the following income:-

	Families	Upfront attachment fees £	Results based payments @ 75% overall £	Total £
2012/13	152	486,400	121,600*	608,000
2013/14	190	456,000	211,200**	667,200
2014/15	37	59,200	nil	59,200
<b>Total</b>	<b>379</b>	<b>1,001,600</b>	<b>332,800</b>	<b>1,334,400</b>

\* based on 152@£800

\*\*based on 132@£1,600

284 = 75% of 379

4. Adding co-ordination grant of 3 x £100,000 and original start up grant of £20,000 yields a **total income of £1,654,400.**

## 5. Expenditure

Year 1 2012/13	- FIP	£113,333
	- Consortium	£60,000
	- ASB Team	£5,700
	- Running costs – travel, DVDs etc	£1,155
	- Premises	£5,250
	- Evaluation	£3,000
	- Coordination	<u>£14,600</u>
	Total	£203,433
Year 2 2013/14	- FIP	£170,000
	- Consortium	£120,000
	- ASB Team	£25,000
	- Running costs	£1,000
	- Premises	£7,000
	- Coordination	<u>£16,000</u>
	Total	£339,000
Year 3 – 2014/15 – as Year 2		£339,000
Total costs over 3 years		£881,433
Balance of income over costs		£772,967
Cost of a further year (Year 4 i.e. 2015/16) at Year 2 / Year 3 rates		£339,000
	<b>Balance remaining at April 2016</b>	<b>£433,967</b>

6. The actual results based payments received to the end of March 2014 total £114,000 of the £332,800 for the full three years forecast at paragraph 3 above, leaving £218,800 to be secured by the time of the final 'Phase One' claim in May 2015. This was made up of 18 claims for progress towards employment (paid at £100 for the first tranche), 113 claims for education, ASB and youth offending outcomes (paid at £700 for the first tranche) and 14 claims for 'continuous employment' (paid at £800 for the first tranche). Stockton has now filled its 'quota' for education, ASB and youth offending claims at the rate of £700 and is now being paid at the rate of £1,400 for these claims. A further 156 success claims of this type would therefore secure the projected total of income from results based payments. It is anticipated that the level of income or something very close to it, will be achieved by May 2015.