

## Appendix D: Estimated revenue costs of new pitch provision in Leeds

- 1.1 The following table has been produced by Environment and Neighbourhoods Finance Section. The figures are based on the current revenue costs/income at Cottingley Springs and produce an estimated revenue cost per pitch of -£46.97. This figure does include receipts for rent. The cost per pitch before revenue received is £5,641.00. Based on current provision however each pitch would receive £5688.00 rental income.
- 1.2 The figures produced by Finance however do need to be treated with some caution as certain assumptions have been made. For example the same pro-rata staffing costs have been assumed. Government changes to housing benefit might impact on assumed receipts (please note, a request has been made to the Leeds Benefits Service to provide any available information on the likely impact of benefit changes on traveller sites). These figures also assume that non-controllable overheads are applied pro-rata whereas it is likely that a more detailed analysis based on staffing time supporting the service might vary the figure. Finally the figures assume full occupancy.
- 1.3 Using these figures, the cost of providing an additional 10 pitches would produce a surplus of £496.70 per annum and for a 50 pitch site the annual revenue surplus would be £2,348.50. This revenue projection needs to be read in conjunction with capital costs outlined in Appendix C.

| <u>Costs</u>                                | <u>Apportionment</u> | <u>2010/11</u><br>£ |
|---|----------------------|---------------------|
| Staffing -<br>assume                        | 40%                  | 62,588              |
| Premises Costs                              |                      | 122,990             |
| Supplies &<br>Services                      | 40%                  | 3,668               |
| Fuel/Transport                              | 40%                  | 3,632               |
| Overheads                                   | 40%                  | 9,176               |
| Capital Charges                             |                      | 29,240              |
| Receipts                                    |                      | -<br>233,220        |
| <b>Total Costs</b>                          |                      | -<br><b>1,926</b>   |
| Number of<br>Pitches                        |                      | 41                  |
| <b>Average annual receipt per<br/>Pitch</b> |                      | <b>-£46.97</b>      |

