

HOUSING REVENUE ACCOUNT	FULL YEAR				Comment/Risk Area
	Original Budget £'000	Latest Budget £'000	Forecast Outturn £'000	Variance	
Expenditure					Rental Income is lower than originally estimated due to the transfer of approximately 90 tenanted properties on the Coventry Cross estate in July 2009. This is partially offset by increased income from buy-backs and shop rents following the re-negotiation of leases
Income	-58,034	-58,034	-57,698	336	
<b>Dwelling &amp; Non Dwelling Rents</b>	<b>-58,034</b>	<b>-58,034</b>	<b>-57,698</b>	<b>336</b>	
Expenditure				0	Following the preparation of the estimated 2009/10 leaseholder invoices the anticipated income is higher than originally forecast when the budget was prepared. The 2008/09 actual invoices have now been prepared which has resulted in additional income. Additional income has also arisen from leaseholders managed by Tenant Management Organisations
Income	-16,331	-16,331	-17,621	-1,290	
<b>Tenant &amp; Leaseholder Service Charge</b>	<b>-16,331</b>	<b>-16,331</b>	<b>-17,621</b>	<b>-1,290</b>	
Expenditure				0	The HRA subsidy entitlement is estimated to be significantly reduced following a further review of the effects of the reductions in the Bank of England base rate, although this will be partially offset by reductions in capital financing charges.
Income	-19,344	-19,344	-15,293	4,051	
<b>Government Subsidy</b>	<b>-19,344</b>	<b>-19,344</b>	<b>-15,293</b>	<b>4,051</b>	
Expenditure				0	
Income	-653	-653	-653	0	
<b>Contributions from General Fund</b>	<b>-653</b>	<b>-653</b>	<b>-653</b>	<b>0</b>	
Expenditure				0	Reduced investment income is anticipated for the year through a combination of the effects of a reduction in working balances and lower interest rates. Interest Rates are based on the latest projections from the Authority's investment advisors and are being reviewed on a regular basis. Members will be updated on the position throughout the financial year.
Income	-612	-612	-178	434	
<b>Investment Income Received (Item 8)</b>	<b>-612</b>	<b>-612</b>	<b>-178</b>	<b>434</b>	
Expenditure	22,901	22,901	24,438	1,537	The successful repairs open days recently held on estates have contributed to an increase in demand for repairs. The Tower Hamlets Homes Board have reported that repairs and maintenance will overspend by up to £2.5 million by the end of the financial year. Measures are being put in place within THH to reduce overspending but is unlikely that expenditure will be brought in line with the budget.
Income				0	
<b>Repairs &amp; Maintenance</b>	<b>22,901</b>	<b>22,901</b>	<b>24,438</b>	<b>1,537</b>	
Expenditure	41,970	41,970	42,726	756	The Supervision and Management budget is currently projecting a significant overspend, although it does include some extraordinary one-off restructuring costs which have been provided for within reserves. Other overspends are anticipated across various budgets, including those provided through the Council. Efforts are being made in conjunction with Tower Hamlets Homes to reduce the current forecast overspend.
Income		0	0	0	
<b>Supervision &amp; Management</b>	<b>41,970</b>	<b>41,970</b>	<b>42,726</b>	<b>756</b>	
Expenditure	900	900	900	0	
Income				0	
<b>Provision for Bad &amp; Doubtful Debts</b>	<b>900</b>	<b>900</b>	<b>900</b>	<b>0</b>	

HOUSING REVENUE ACCOUNT	FULL YEAR				Comment/Risk Area
	Original Budget £'000	Latest Budget £'000	Forecast Outturn £'000	Variance	
Expenditure	35,473	35,473	32,300	-3,173	As a result of the uncertainty regarding interest rates and the fall in the Authority's likely Consolidated Rate of Interest for the financial year, a significant reduction in borrowing costs is anticipated. This saving partly offsets the reduction in HRA Subsidy received.
Income		0	0	0	
<b>Capital Financing Charges</b>	<b>35,473</b>	<b>35,473</b>	<b>32,300</b>	<b>-3,173</b>	
Expenditure				0	
Income	-1,970	-1,970	-1,970	0	
<b>Contributions from Reserves</b>	<b>-1,970</b>	<b>-1,970</b>	<b>-1,970</b>	<b>0</b>	
<b>Total Net HRA Expenditure</b>	<b>4,300</b>	<b>4,300</b>	<b>6,951</b>	<b>2,651</b>	