

CORPORATE MONTHLY BUDGET MONITORING - SEPTEMBER 2012

2% to 5% Amber
>5% Red<2% Green
2% - 5% Amber
>5% Red

DEVELOPMENT & RENEWAL (Housing Revenue Account)		Original Budget £'000	Latest Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Previous Forecast Outturn £'000	FULL YEAR Variance (Latest Budget to Latest Forecast Outturn)		Variance (Previous & Latest Forecast Outturn)	Explanation of any variance that is considered to be significant and all variances greater than £100k Proposed mitigating action and dates	RAG Status	
								£'000	%				%
DIRECTLY CONTROLLED INCOME BUDGETS													
Dwelling & Non Dwelling Rents	Income	(66,696)	(66,696)	(33,348)	(32,010)	1,338	(66,308)	(66,355)	341	0	0	RISK: Over 600 Right to Buy applications have been received in the first 6 months of 2012/13. THH is currently forecasting that rental income will be £0.38m lower than budget. RISK: If a large number of Right to Buy applications proceed to the sale stage over the remainder of the year there will be further pressure on this budget.	0%
	Net Income	(66,696)	(66,696)	(33,348)	(32,010)	1,338	(66,308)	(66,355)	341	0	0	Vote Budget Manager: Tower Hamlets Homes Budget Risk: Low	
Tenant & Leaseholder Service Charges	Income	(16,861)	(16,861)	(13,480)	(13,559)	(79)	(17,281)	(17,281)	(420)	(0)	0	The 2011/12 actualisation process is currently being finalised; leasehold service charge income is higher than originally anticipated in the budget.	0%
	Net Income	(16,861)	(16,861)	(13,480)	(13,559)	(79)	(17,281)	(17,281)	(420)	(0)	0	Vote Budget Manager: Tower Hamlets Homes Budget Risk: High	
INDIRECT INCOME BUDGETS													
Investment Income Received	Income	(190)	(190)	0	0	0	(190)	(190)	0	0	0		0%
	Net Income	(190)	(190)	0	0	0	(190)	(190)	0	0	0	Vote Budget Manager: Chris Holme Budget Risk: Low	
General Fund Contributions	Income	(166)	(166)	0	0	0	(115)	(115)	51	(31)	0		-31%
	Net Income	(166)	(166)	0	0	0	(115)	(115)	51	(31)	0	Vote Budget Manager: Chris Holme Budget Risk: Low	
TOTAL INCOME	Total Income	(83,913)	(83,913)	(46,828)	(45,569)	1,259	(83,894)	(83,941)	(28)	(0)	0		0%
	Net Income	(83,913)	(83,913)	(46,828)	(45,569)	1,259	(83,894)	(83,941)	(28)	(0)	0		
DIRECTLY CONTROLLED EXPENDITURE BUDGETS													
Repairs & Maintenance	Expenditure	21,410	21,410	10,617	11,653	1,036	21,417	21,567	157	0	0		0%
	Net Expenditure	21,410	21,410	10,617	11,653	1,036	21,417	21,567	157	0	0	Vote Budget Manager: Tower Hamlets Homes Budget Risk: High	
Supervision & Management	Expenditure	25,215	25,215	10,697	11,653	956	24,007	23,922	(1,292)	(4)	0	The year-end projected underspend arises as it is forecast that capital fee income recharged at year-end from capital to revenue will be higher than budgeted. Any underspends within this budget heading will enable revenue resources to be set aside to finance part of the non grant element of the Decent Homes capital programme, as agreed by Cabinet in September 2011 -	-4%
	Net Expenditure	25,215	25,215	10,697	11,653	956	24,007	23,922	(1,292)	(4)	0	Vote Budget Manager: Chris Holme Budget Risk: Low	

DEVELOPMENT & RENEWAL (Housing Revenue Account)		Original Budget £'000	Latest Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Previous Forecast Outturn £'000	Latest Forecast Outturn £'000	FULL YEAR Variance (Latest Budget to Latest Forecast Outturn)		Variance (Previous & Latest Forecast Outturn) %	Explanation of any variance that is considered to be significant and all variances greater than £100k Proposed mitigating action and dates	RAG Status
									£'000	%			
Special Services, Rent Rates & Taxes	Expenditure	17,109	17,109	7,133	6,048	(1,086)	16,786	16,690	(419)	(2)	0	It is forecast that the energy budget will underspend by £0.4m due to the fact that when this budget was set it was anticipated that 2012/13 gas & electricity prices would increase by between 20% and 40%, whereas in fact bulk gas prices in 2012/13 will be only 13% higher than in 2011/12, and bulk electricity will be 2% lower. This budget will continue to be closely monitored.	
	Net Expenditure	17,109	17,109	7,133	6,048	(1,086)	16,786	16,690	(419)	(2)	0	Vote Budget Manager: Tower Hamlets Homes Budget Risk: Medium	
INDIRECT EXPENDITURE BUDGETS													
Provision for Bad & Doubtful Debts	Expenditure	900	900	0	0	0	900	900	0	0	0	RISK: The first tranche of the Government's Welfare Reforms is	0%
	Net Expenditure	900	900	0	0	0	900	900	0	0	0	Vote Budget Manager: Chris Holme Budget Risk: Medium	
Capital Financing Charges	Expenditure	20,771	20,771	0	0	0	22,195	22,195	1,424	6	0	The projected overspend is due to the projection that 2012/13 non-dwellings depreciation will be higher than originally anticipated when the budget was set in February. This however, will be matched by a corresponding increase in the amount transferred from the Major Repairs Reserve (below). In addition, it is anticipated that a higher than budgeted revenue contribution will be received from the Council's Development Corporation.	6%
	Net Expenditure	20,771	20,771	0	0	0	22,195	22,195	1,424	6	0	Vote Budget Manager: Chris Holme Budget Risk: High	
TOTAL EXPENDITURE	Expenditure	85,405	85,405	28,447	29,354	906	85,305	85,274	(131)	(0)	0		0%
	Net Expenditure	85,405	85,405	28,447	29,354	906	85,305	85,274	(131)	(0)	0		
TOTAL NET	Total Net Expenditure	1,492	1,492	(18,381)	(16,215)	2,165	1,410	1,333	(159)	(0)	0		
Contributions from Reserves	Income	(1,492)	(1,492)	0	0	0	(1,758)	(1,758)	(266)	18	0	The transfer from the Major Repairs Reserve will increase due to a higher than budgeted non-dwellings depreciation charge (see Capital Financing Charges above).	18%
	Net Expenditure	(1,492)	(1,492)	0	0	0	(1,758)	(1,758)	(266)	18	0		
TOTAL FOR HOUSING REVENUE ACCOUNT	Total Net Expenditure	(0)	(0)	(18,381)	(16,215)	2,165	(348)	(425)	(425)	18	0	Director: Aman Dalvi	