

Corporate Monthly Budget Monitoring		Original Budget	Current Budget	Outturn	Revenue Contribution to Capital (RCCO)	Outturn Variance	Outturn Variance	Explanation of any variance that is considered to be significant and all variances greater than £100k
March 2014	HRA	£'000	£'000	£'000	£'000	£'000	%	
<b>Service Area: HRA Housing Revenue Account</b>								
<b>INCOME</b>								
<b>DIRECTLY CONTROLLED INCOME BUDGETS</b>								
<b>Dwelling &amp; Non Dwelling Rents</b>								
	Income	-68,953	-68,953	-70,075		-1,122	1.63%	Rental income is higher than budgeted due to a reduction in the number of void properties, meaning that the void rate was lower than assumed when setting this budget. In addition, the budget assumed that 100 Right to Buy sales would take place in 2013/14, but there were fewer sales than predicted (84) and these occurred mainly in the last six months of the financial year leading to less rental income being lost than if the sales had taken place earlier in the financial year.
	<b>Net Expenditure</b>	<b>-68,953</b>	<b>-68,953</b>	<b>-70,075</b>		<b>-1,122</b>	<b>1.63%</b>	
<b>Tenant &amp; Leaseholder Service Charges</b>								
	Income	-17,250	-17,250	-20,065		-2,815	16.32%	This variance has arisen due to a combination of additional expenditure on repairs and a revised service charge methodology. There was a large increase in the volume of responsive repairs carried out in 2012/13, and leaseholders are recharged a proportion of these costs. As a result, there is additional leasehold service charge income relating to 2012/13 of approximately £1m. In addition, a review of service charges was undertaken to ensure that the methodology was robust, and that all relevant costs were fully recovered from leaseholders. However as the 2012/13 service charge estimates were issued before the review, there will be a 2012/13 adjustment. For prior and following years, the estimates and actuals were constructed under the same methodology - this means from 2014/15 onwards, adjustments are expected to be small.
	<b>Net Expenditure</b>	<b>-17,250</b>	<b>-17,250</b>	<b>-20,065</b>		<b>-2,815</b>	<b>16.32%</b>	
<b>INDIRECTLY CONTROLLED INCOME BUDGETS</b>								
<b>Investment Income Received</b>								
	Income	-160	-160	-70		90	56.25%	
	<b>Net Expenditure</b>	<b>-160</b>	<b>-160</b>	<b>-70</b>		<b>90</b>	<b>56.25%</b>	
<b>Contributions Towards Expenditure</b>								
	Income	-115	-115	-135		-20	0.00%	
	<b>Net Expenditure</b>	<b>-115</b>	<b>-115</b>	<b>-135</b>		<b>-20</b>	<b>0.0%</b>	
<b>TOTAL INCOME</b>		<b>-86,478</b>	<b>-86,478</b>	<b>-90,345</b>		<b>-3,867</b>		

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<b>EXPENDITURE</b>								
<b>DIRECTLY CONTROLLED EXPENDITURE BUDGETS</b>								
<b>Repair &amp; Maintenance</b>								
	Expenditure	21,795	21,795	21,825		30	0.14%	
	<b>Net Expenditure</b>	<b>21,795</b>	<b>21,795</b>	<b>21,825</b>		<b>30</b>	<b>0.14%</b>	
<b>Supervision &amp; Management</b>								
	Expenditure	23,458	23,458	21,239		-2,219	-9.85%	The year-end underspend arises as capital fee income recharged at year-end from capital to revenue was 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 and May 2013 (see 'Capital Financing Charges' section below). In addition, the Authority has received further income of approximately £0.4m in respect of the recovery of costs incurred as part of various stock transfers carried out a few years ago.
	<b>Net Expenditure</b>	<b>23,458</b>	<b>23,458</b>	<b>21,239</b>		<b>-2,219</b>	<b>-9.85%</b>	
<b>Special Services, Rents, Rates &amp; Taxes</b>								
	Expenditure	16,075	16,075	14,476		-1,599	-9.95%	There was an underspend of approximately £1.2m on energy costs due to lower than budgeted gas and electricity energy price rises. In addition, there are underspends on the refuse, concierge and grounds maintenance budgets.
	<b>Net Expenditure</b>	<b>16,075</b>	<b>16,075</b>	<b>14,476</b>		<b>-1,599</b>	<b>-9.95%</b>	
<b>INDIRECTLY CONTROLLED EXPENDITURE BUDGETS</b>								
<b>Provision for Bad Debts</b>								
	Expenditure	1,900	1,900	514		-1,386	-72.95%	The provision for bad debts was increased in order to mitigate against risks arising from the various elements of welfare reform due to come into effect in 2013/14. As reported in previous quarters' monitoring, it was anticipated that the increased level of provision would not be needed this financial year as there have been delays in implementing some of the welfare reforms, and the year-end calculation of the bad debt provisions has confirmed this.
	<b>Net Expenditure</b>	<b>1,900</b>	<b>1,900</b>	<b>514</b>		<b>-1,386</b>	<b>-72.95%</b>	
<b>Capital Financing Charges</b>								
	Expenditure	24,802	24,802	19,137	9,083	-5,665	-22.84%	The major items within the Capital Financing Charges budget are depreciation, interest payments and direct revenue financing. In respect of the direct revenue financing, the budget included a revenue contribution of £6 million to support the 2013-14 element of the Decent Homes Programme which is financed from various funding sources. When considering the use of resources to finance the HRA capital programme, Officers have assessed that an additional revenue contribution of £3m represents an efficient use of the Council's resources.
	<b>Net Expenditure</b>	<b>24,802</b>	<b>24,802</b>	<b>19,137</b>	<b>9,083</b>	<b>-5,665</b>	<b>22.8%</b>	
<b>TOTAL EXPENDITURE</b>		<b>88,030</b>	<b>88,030</b>	<b>77,191</b>	<b>9,083</b>	<b>-10,839</b>	<b>-12.4%</b>	
<b>Contribution from Reserves</b>		<b>-1,552</b>	<b>-1,552</b>	<b>0</b>	<b>0</b>	<b>1,552</b>	<b>100.00%</b>	Recent CIPFA guidance has confirmed that the contribution from reserves equal to the non-dwelling depreciation charge is no longer permitted under HRA Self-Financing.
<b>TOTAL HRA</b>		<b>-0</b>	<b>-0</b>	<b>-13,154</b>	<b>9,083</b>	<b>-4,071</b>		