

**For Period Ending 31 January 2014**

	£000s Current Budget	£000s Actuals	£000s Forecast Outturn	£000s Variance	RAG Status
<b>INCOME</b>					
Rents - Dwellings Only	(49,464)	(36,183)	(49,002)	462	
Rents - Non Dwellings Only	(1,091)	(900)	(1,079)	12	
Service Charges	(2,748)	(2,087)	(2,553)	195	
Other Income	(85)	(37)	(68)	17	
<b>Total Income</b>	<b>(53,388)</b>	<b>(39,207)</b>	<b>(52,702)</b>	<b>686</b>	<b>R</b>
<b>EXPENDITURE</b>					
Repairs and Maintenance	15,205	12,986	15,247	42	
General Management	5,601	2,790	5,453	(148)	
Special Services	3,552	3,158	3,549	(3)	
Rents, Rates, Taxes & Other Charges	81	68	81	0	
Increase in Bad Debt Provision	750	346	415	(335)	
Rent Rebate Subsidy Deductions	96	0	0	(96)	
<b>Total Expenditure</b>	<b>25,286</b>	<b>19,348</b>	<b>24,745</b>	<b>(540)</b>	<b>B</b>
<b>Net Cost of Services</b>	<b>(28,103)</b>	<b>(19,859)</b>	<b>(27,957)</b>	<b>146</b>	<b>R</b>
Net Recharges from the General Fund	5,246	4,502	5,402	157	
Interest & Financing Costs	6,047	5,096	6,115	68	
Depreciation/MRA	11,823	9,853	11,823	0	
Net Contribution (from) / to Earmarked Reserves	9,987	8,435	9,617	(371)	
<b>Net Transfer From / (To) Working Balance</b>	<b>5,000</b>	<b>8,026</b>	<b>5,000</b>	<b>(0)</b>	
Working Balance b/f	(5,000)	(5,000)	(5,000)	0	
<b>Working Balance Outturn</b>	<b>0</b>	<b>3,026</b>	<b>(0)</b>	<b>(0)</b>	<b>G</b>

**Notes on Forecast Variances**

Rents - Dwellings Only

Right to Buy completions in 2013-14 continue to be greater than expected, resulting in reduced rental income.

Service Charges

Supporting People funding has been withdrawn at the end of September, but transitional funds of a lower amount are being received and are anticipated to continue to the end of March 2014. This shortfall is partly offset by a reduction in staffing costs within the Wardens service (see Special Services below). Note that a reserve was prudently created in anticipation of this occurrence and is sufficient to meet the remaining net shortfall.

Repairs and Maintenance

There has been a drawdown from reserves of £2.5m and an estimated £700k capitalisation of costs to cover an estimated £3.2m additional expenditure on void properties.

General Management

Vacant posts within the service have resulted in a projected saving on staff costs.

Rents, Rates, Taxes & Other Charges

Changes in legislation are expected to increase the amount of Council Tax payable on void properties.

Bad Debt Provision

Lower contribution to the Bad Debt Provision, reflecting lower levels of rent arrears than projected.

Rent Rebate Subsidy Deductions

Following the de-pooling of Service Charges last year, the HRA is not liable to make any contribution towards Rent Rebate expenditure.

Net Recharges from the General Fund

This overspend reflects the inclusion of internal Housing recharges that had previously been incurred as direct service expenditure.