

Variance to 30th September 2008	Comments
	General Comment:
	The surplus to date is £271k, better than budget by £737k. The forecast overall remains unchanged at a deficit of £1,135k. Forecast changes have been made in the following service areas - Rental Income increase of £529k to £32,970k, Contracting Income increase of £290k to £14,060k to offset increased cost of £890k to £12,487k. There have been other minor changes in Tenancy Services and Management and Infrastructure.
(682,213)	Rental Income:
	The forecast has been changed to reflect higher income from rents and shops, £398k and £154k respectively. The backlog in Housing Benefits has now been cleared. Monthly rental income is higher than the profiled budget due to lower void rental loss and hard work by the rents team keeping current rent arrears being below the target of £1m at £985k.
(8,538)	Contracting and Repairs Service:
	Minor variance in total. The Forecast for Income, Materials and Sub Contractors has been increased by net £600k, to reflect more use of specialist services in light of recent health and safety changes i.e. scaffolding use in the installation of vertical flues in gas installations and asbestos work.
15,070	Tenancy Services:
	Minor variance due to to the refurbishment in the sheltered accommodation ie decant costs for Grantham House. The forecast income for Furnished Tenancies has been increased by £100k this offsets the reduction of income we were expecting from Council House sales due to no right to buys.
(61,026)	Management Infrastructure:
	Spend to date is lower than anticipated in this area. This is in part due to vacancies and a low bad debt provisions on Tenant and Leaseholder Recharges. The forecast on Management costs have been increased by a net £61k due to expected training costs.
(736,707)	
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