

## Appendix Two

### Key Revenue Variances

Directorate	Variance	Comments
Corporate Development & Delivery	£850k	Underspends within the Corporate Development & Delivery budget are predominately due to staffing vacancies £443k combined with additional underspends associated with computer software and consultancy.
Concessionary Travel	£1,929k	The underspend against budget is driven by the impact of strike action and reductions to payments to operators from 100% pre pandemic levels. It is proposed that £1,000k is temporary vired in year to the Place directorate to cover in year pressures on the Rail services budget.
Corporate Costs	£1,289k	The pay inflation and contingency budget has been held corporately. Given the forecasted underspends across the organisation, combined with a favourable variance on past pension service costs, it is assumed that these contingency budgets will largely not be required. It is therefore proposed that this budget is reduced by £1,000k.
Mayoral Priorities	£475k	It is proposed that this budget is reduced by £475k to reflect the amended timescales for delivery on the identified Mayoral Priorities.
Place	£265k	An overall favourable variance is driven by the release of Bus grants from the balance sheet masking overspends on transport services. £1,009k in Rail, £555k in Tunnels and £467k in Ferries. Overspends have been driven by the impact of utilities, cost and pay inflation. The low level of vacancies combined with the staffing profile within the Place Directorate has meant that this Directorate has been impacted more than other areas by the agreed pay award.
Policy, Strategy & Government Relations	£1,205k	Underspends within Policy, Strategy & Government Relations are largely driven by staffing vacancies and consultancy. The majority of the underspend is in relation to Spatial Planning. It is proposed that this budget is reduced by £600k in relation to SDS and consultancy which is unlikely to spend in the current year.
Treasury Management	£1,209k	This forecast underspend is in relation to the cashflow position of the Authority. There has been lower than anticipated capital spend to

		date, revised borrowing forecasts and higher returns on investments. It is proposed that this budget is reduced by £1,000k.
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