



## Proposed Revenue Budget for 2024/2025

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**Date of meeting** 23 February 2024

**Date of report** 6 February 2024

### Report by Director of Finance & Corporate Support

#### 1. Object of report

To present to the Committee for scrutiny prior to submission to the Partnership, a draft revenue budget for 2024/2025, highlighting the assumptions made in the preparation of the budget, proposals for fees and charges and the draft proposed local authority requisition.

#### 2. Background to report

Since March 2020, like many other public sector organisations SPT has had significant financial challenges. The global pandemic had a material impact on SPT's financial position in the financial years 2020/2021 and 2021/2022. This affected all services but in particular in relation to subway patronage and related income. Since the beginning of 2022, new financial challenges have arisen due to high inflation and the cost-of-living crisis. This has included increased pay pressures, supported service contract increases and increases in external contract costs. These challenges have been managed within the funding envelope available. Although inflation is decreasing gradually it is still at a level that presents challenges to SPT and its stakeholders in 2024/2025 and beyond.

Notwithstanding the above uncertainties, financial planning for 2024/2025 and beyond has endeavoured to take account of the current environment and pressures being faced, but also anticipating some of the pressures that may be brought to bear from the external environment. As a result, the proposed draft budget and delivery plan continues to focus within the resources available, on funding socially necessary bus services with ever increasing demand expected as the commercial market continues to face challenges, maintaining the current Subway fleet until it fully decommissioned in 2024/2025 and associated infrastructure. It will also support transitional plans for the Subway as we move from old to new rolling stock and updated associated working practices.

As previously reported to members, the process of Subway modernisation will require staff resource for a period to manage and maintain old and new assets, at the same time as we transition to the new fleet and associated equipment. The project is now at that stage and the draft budget must reflect that resource requirement in support of project delivery – this is key to the success of the project.

With regards to wider public transport initiatives, SPT remains keen to ensure that transport is a key enabler to the economic recovery given the challenges faced since March 2020 and in the long term, a key contributor to the carbon reduction agenda. SPT has been identified as the lead partner to take the Clyde Metro programme of work all the way through to the case for investment. SPT has also been tasked with administering a proportion of the People

and Place Active Travel funding from 2024/25. Details of this are being finalised but it is anticipated that this will involve both capital and revenue funded projects. There is a resource requirement for SPT to fully contribute to the challenges ahead in progressing to direct transport delivery measures when the scope of these projects is fully established.

In addition, SPT plans to continue to invest in new digital solutions for transport information, ticketing solutions, enhanced cyber security and also in maintenance of assets such as bus stations to a high standard, all of which puts pressure on the constrained revenue resources.

Subway Modernisation required SPT to internally resource its contribution to the Subway project (£46m capital contribution and other associated transition costs). As a consequence, a Subway Fund was established and over the last 12 financial years SPT has contributed to the fund within our revenue funding envelope. The fund supports revenue costs arising from the project including organisational change costs, training and development of the new asset base, as well as scheduled major refurbishments to maintain the assets for a life of up to 40 years.

SPT hold a number of other reserves, the majority of which are ringfenced for specific commitments and challenges SPT are anticipating in 2024/2025 and beyond. These reserves were established over recent years to ensure that SPT can continue to maintain its transport infrastructure and support key transport initiatives in the SPT area without placing any adverse financial pressure on our local authority partners through seeking increased requisition levels or a one-off significant funding request.

For 2024/2025, the Scottish Government notified SPT that its general capital grant was being reduced to zero (2023/2024 - £15.327m). This situation is unprecedented and SPT have challenged this at the highest level of government with a view to explaining the significant impact this will have to important transport projects in area. SPT's capital budget is critical in ensuring the transport infrastructure is maintained and delivers essential physical improvement works in support of public transport initiatives are delivered across each local authority within the SPT area. However, at the time of writing no general capital grant has been confirmed. The impact of this position is currently being assessed but it is clear will impact significantly on SPT's capital programme in 2024/2025 and future years and is explained in more detail in the Capital Budget paper at this Committee.

It was also confirmed that SPT would receive no funding to support Subway Modernisation in 2024/2025. This was confirmed without any prior consultation. If no funding is provided this will have a direct impact on the modernisation programme. Discussions are ongoing with Transport Scotland in respect of the 2024/2025 funding and what financial resources will be available in future financial years. This uncertainty is impacting on SPT ability to finalise its Long Term Financial Strategy and Reserves Policy for 2024/2025.

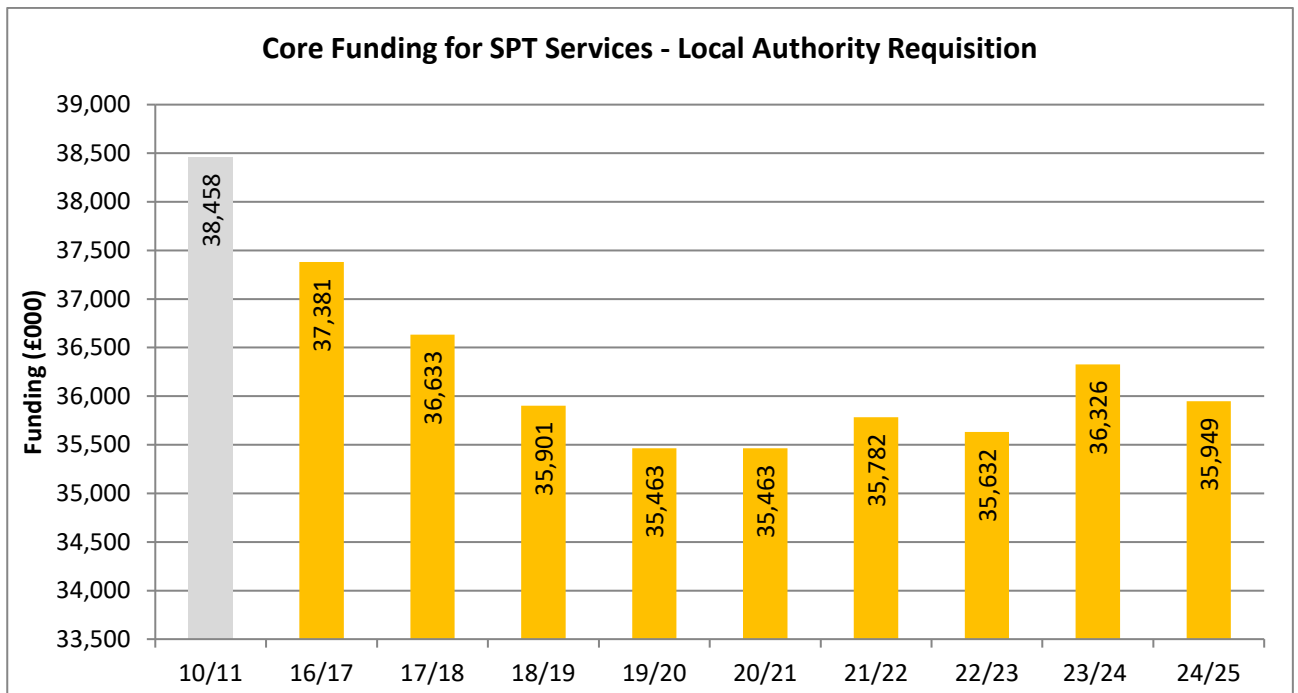
Balancing the SPT revenue budget over the last decade has very much involved the reallocation of resources and significant works to redesign the organisation. This has resulted in significant headcount reductions to reallocate resources to the priority areas identified at the time and to ensure SPT is a lean, efficient organisation. Over the last year, staff resourcing has been reviewed in line with the priorities identified within the Corporate Plan, and the proposed draft budget reflects the resources needed to meet those priorities.

### **3. Current Position**

For 2024/2025, Scottish Government has again announced a one-year budget and local government settlement. This approach fundamentally undermines long term planning. SPT has actively engaged with both the local authorities and the Scottish Government throughout the budget setting process and the established agreement with local authority partners that the SPT requisition will mirror the percentage change to the settlement has again been implemented for 2024/2025. Local authority partners have indicated the settlement will result

in a decrease of 1.04% which is reflected in the proposed local authority requisition. It is assumed that revenue support grant from Transport Scotland will continue at the same level as 2023/2024 (£0.649m), but we are advised that it is subject to the Accounting Officer process.

Notwithstanding the requisition decrease noted above, the chart below demonstrates the reductions over the last decade and confirms that funding for transport still remains a significant challenge, particularly in this period of high inflation. Since 2016, inflation as measured by CPI has increased by 27.2%, an additional financial burden which has been borne directly by SPT in that period.



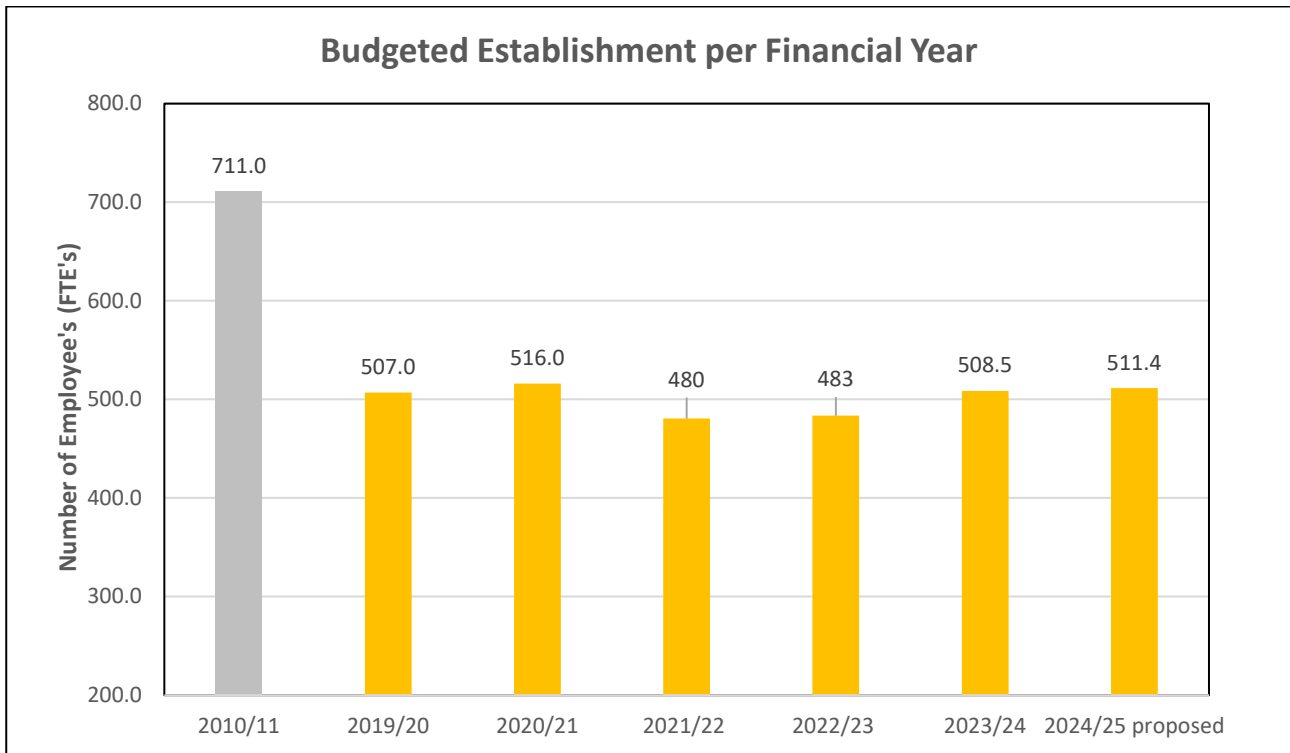
The proposed requisition for 2023/2024 split by local authority can be seen in Appendix 1.

The proposed revenue budget for 2024/2025 can be found at Appendix 2. It has been prepared on the assumption that Subway passenger numbers will be sustained at the current level following a period of strong recovery and generate increased Subway income compared to the 2023/2024 budget. It has also been drafted after a comprehensive review of all expenditure lines, taking into account known cost pressures including increases in staff costs, electricity and other costs including the impact of inflation. Members' attention is drawn to the following:

- (i) The staff costs budget for 2024/2025 has been prepared reflecting the implementation of the COSLA pay award for 2023/2024 and an estimation of the 2024/2025 award recognising the ongoing inflationary levels in the UK. The planned staffing establishment for 2024/2025 (see graph below), includes increases to support the Subway modernisation transformation programme as well as strengthening other areas in support of organisational objectives including short term IT support for bus system improvements. It is anticipated that these increased resource levels in support of Subway modernisation will reduce on conclusion of the programme.

Offsetting the additional employee costs above are short term savings in other employee costs. Prior to 2024/2025 SPT like other public sector organisations included within the Strathclyde Pension Fund contributed 19.3% of pensionable payroll to the pension fund. However due to the overall fund being in a healthy position the proposed employer contribution rate will be reduced to 6.5% in 2024/2025 and 2025/2026. This will then increase to 17.5% in 2026/2027. Although this reduction in

contributions is extremely welcome in the current climate it is clear these savings in employee costs are very short term in nature and will not have a material impact on SPT's long term financial position.



- (ii) Inflationary pressures have been factored in across a number of budget lines, in particular reflecting existing contracts with annual CPI contractual increases. This includes specific pressures impacting on electricity and gas costs. While these have been incorporated into the 2024/2025 draft budget, contractual increases are not at the same high level as previous financial year.
- (iii) Shared costs associated with the safe and secure operation of the Subway non-operational area (NOA) have been included within the 2024/2025 draft budget. This includes costs associated with security and traffic control officers who perform a safety function to control all movements within the NOA. These are agreed shared costs between SPT and ANSTA and the agreement will continue until these assets are fully handed over to SPT. This impacts on budget lines under property costs and third party payments.
- (iv) The subsidised bus budget has been increased to reflect pre-existing annual contractual increases and also forecast increases for contracts due for renewal in 2024/2025 in line with current market conditions. In challenging times SPT has worked hard to protect the subsidised bus budget understanding the importance of supporting bus services in the SPT area. As part of the renewals process for 2024/2025 SPT have been looking at mitigations that can be put in place to reduce the cost of supported service renewals. These include reviewing specifications and altering timetables to ensure the best value possible for each contract is achieved. This has been achieved for some contracts by removing journeys with low passenger numbers or providing scope for optional timetables offering enhanced provision and optional farescale.

However, if contract cost increases, as a result of financial pressures on bus operators (including reduced government support, inflationary pressures on operational costs and driver shortages) are sustained at this high level over the short to medium term then this will have a significant impact on future subsidised bus budgets with the potential for reduced network provision or frequency of services especially if the overall funding envelope stays the same or is reduced.

- (v) Other third party payments have increased in 2024/2025 in comparison to 2023/2024. The main reasons for these increases include increased computer maintenance costs across all contracts due to inflation and significant cost increases for legacy systems which SPT are in the process of replacing. Costs for traffic control officers for the NOA are also included within this budget line as well as increased short term costs in 2024/2025 for Subway consultancy which will support delivery of maintenance manuals for the new rolling stock and other work associated with Subway Modernisation and transformation.
- (vi) The Subway income budget has been prepared on the basis that the strong patronage recovery seen in 2023/2024 will be sustained in 2024/2025. It also incorporates plans for a modest increase in Subway fares, largely on the same basis as what was implemented in January 2024 which will take cognisance of other public transport fare increases and also economic circumstances. Details of which can be found in section 4 below.
- (vii) Bus Operations income has increased in 2024/2025 as a result of increased income projected for bus station facilities. These include departure charges, parking charges, passenger related facilities (left luggage and toilet income) and also rental income. Budget projections are in line with 2023/2024 outturns for these income sources. It also factors in annual increases in departure and parking charges which are detailed in section 4 below. Increased income for supported bus services from external stakeholders is also included in the 2024/2025 budget. This includes new contracts which are fully supported by s75 funding from Councils.
- (viii) Interest received has been estimated based on current interest rate and cashflow forecasts, providing welcome mitigation against cost inflation. Rates of return have increased in the current financial year and have likely now peaked with the anticipation that rates will start to fall over the coming months. The projected rate reduction as well as a fall in cash balances held by SPT have been incorporated into the budget in 2024/2025 and the long term fall off thereafter will be included in the LTFS presented to the Partnership. This budget may also need to be reviewed further once the capital plan for 2024/2025 and how it is funded is finalised.
- (ix) A planned revenue contribution to the Capital Budget to provide support to the programme, in line with previous budgets. As mentioned above with no general capital grant being provided by the Scottish Government in 2024/2025 this puts SPT in an impossible position with a significant reduction in projects within the 2024/2025 capital programme. This contribution will help fund some of the contractually committed projects in 2024/2025 but it will be impossible to support all proposed projects. This will be detailed further in the Capital Budget paper being presented to this Committee.

Taking all of the above into account, a balanced budget is now presented to Strategy & Programmes for consideration and subject to members' comments and further refinements, particularly with respect to the capital funding position, subsequent approval by the Partnership. Further work will continue before Partnership approval to minimise the uncertainties around some of the assumptions made. It is also hoped that the final LTFS and updated Reserves Policy can be presented at that time.

#### **4. Proposals for Fares, Fees and Charges**

As part of the budget setting process SPT has reviewed the fares that it levies for the various services that it provides to both the traveling public and transport operators. In reviewing the fares SPT has considered the potential increased income as well as the potential impact to the travelling public, operators and other stakeholders.

Subway fares are reviewed annually to ensure that all fares are set at an appropriate level for the service provided, whilst taking account of the offerings of other operators in the area. An increase in Subway fares was implemented in January 2024 and early indications suggest there has been limited resistance to these fare increases. It is proposed to increase fares by an average of 3% in January 2025 to ensure appropriate income levels are generated to support operational costs in the longer term.

As can be seen from the table below, which details all subway fares, a proposed 3% increase only makes modest changes to fares. The last change to Subway fares prior to January 2024 was in April 2019 and SPT absorbed all additional cost and income pressures during and after the pandemic without passing these costs onto passengers. It is proposed that implementation of these proposed fares be scheduled for January 2025 to align to other rail operator's fare increases.

Similarly, car parking charges are reviewed annually to ensure that all fares are set at an appropriate level for the service provided and strategic aims of SPT, whilst taking account of the offerings of other car park operators in the area. It is proposed to increase charges to reflect this and align subway parking charges more closely to comparative services and also to schedule the increases for January 2025.

<b>Smart Ticketing (STR)</b>	<b>Current Fare</b>	<b>Proposed Fare</b>	<b>Change</b>
Adult Single	£1.60	£1.65	£0.05
Adult Daily Cap	£3.10	£3.20	£0.10
Child Single	£0.80	£0.85	£0.05
Child Daily Cap	£1.55	£1.60	£0.05
<b>Disposable</b>	<b>Current Fare</b>	<b>Proposed Fare</b>	<b>Change</b>
Adult Single	£1.80	£1.85	£0.05
Adult Return	£3.40	£3.50	£0.10
Adult Daily	£4.30	£4.45	£0.15
Child Single	£0.85	£0.90	£0.05
Child Return	£1.60	£1.65	£0.05
Child Daily	£2.15	£2.20	£0.05
Concession Single	£1.00	Set by SCTS	N/A
Concession Return	£1.50	Set by SCTS	N/A
<b>Season Tickets – Online</b>	<b>Current Fare</b>	<b>Proposed Fare</b>	<b>Change</b>
Adult 7 day	£13.50	£14.00	£0.50
Adult 28 day	£52.00	£53.50	£1.50
Adult 10 week	£125.00	£128.00	£3.00
Adult 6 month	£260.00	£265.00	£5.00
Adult Annual	£470.00	£485.00	£15.00
Child 7 day	£6.50	£6.50	£0.00
Child 28 day	£25.00	£25.00	£0.00
Child 10 week	£60.00	£60.00	£0.00
Child 6 month	£125.00	£125.00	£0.00
Child Annual	£225.00	£225.00	£0.00

<b>Season Tickets (in stations)</b>	<b>Current Fare</b>	<b>Proposed Fare</b>	<b>Change</b>
Adult 7 day	£14.50	£15.00	£0.50
Adult 28 day	£56.00	£58.00	£2.00
Adult 6 month	£275.00	£285.00	£10.00
Adult Annual	£490.00	£500.00	£10.00
Child 7 day	£7.00	£7.00	£0.00
Child 28 day	£27.00	£27.00	£0.00
Child 6 month	£135.00	£135.00	£0.00
Child Annual	£245.00	£245.00	£0.00
<b>Park and Ride</b>	<b>Current Fare</b>	<b>Proposed Fare</b>	<b>Change</b>
Park and Ride (return disposable)	£7.70	£7.90	£0.20
Park and Ride (all day PAYG)	£7.70	£7.90	£0.20
Concession Park and Ride (return disposable)	£6.10	Dependent on SCTS fare	N/A
Concession Park and Ride (all day PAYG)	£6.10	Dependent on SCTS fare	N/A
Parking only - 30 minutes	£1.00	£1.05	£0.05
Parking only - 1 hour	£2.00	£2.05	£0.05
Parking only - 2 hours	£3.00	£3.10	£0.10
Parking only - all day	£7.70	£7.90	£0.20
Park and Ride - 7 day season ticket	£36.00	£37.00	£1.00
Park and Ride - 28 day season ticket	£135.00	£139.00	£4.00
Park and Ride - 6 month season ticket	£675.00	£695.00	£20.00
Park and Ride - annual season ticket	£1,200.00	£1,230.00	£30.00
Overstay day rate	£7.70	£7.90	£0.20
Parking add-on	£4.60	£4.70	£0.10

In budgeting for Subway income, consideration is given to many factors – fare increases, current and trending patronage levels, plans which may inadvertently risk service disruption, reliability and quality of service provision, and general economic and market conditions. Whilst a fares increase is never welcome, the average increase to fares affected is just over 3% which is below the current level of inflation.

In addition to Subway fares, there are a number of other fees and charges applicable at Bus Stations and apply to Subsidised Bus Services. Bus station departure charges are a core element in the funding of SPT's bus stations and are graded to reflect the services provided at each bus station. The current bus station departure charging regime allows SPT to increase charges annually in line with movements between CPI in August each year. Whilst this would have meant an increase of 6.7% in 2024/2025 it is proposed to limit this increase to 3%, recognising the pressures impacting on bus operators across the SPT area. This increase will be applied in April 2024.

SPT also has a small number of other fares in operation for subsidised bus services and My Bus services (known as the bus maximum fare table). This is the maximum fare that operators fulfilling SPT contracts can apply. This farescale has not been increased since April 2018. Many operators who operate SPT contracts have made representation that the maximum fare table is currently out of step with the cost of operating services and a number

of recent tenders have been awarded using optional farescales which are more aligned to the operators' commercial fare structure. However for the contracts which still use SPT's maximum permitted farescale it is proposed that fares increase by 3% in 2024/2025. This will be applied in August 2024, so it is aligned to other supported service contract adjustments.

## 5. Conclusion

The proposed revenue budget for 2024/2025 has been drafted taking account of SPT's and our partners priorities and links planned spend to desired outcomes but also the current external environment which all public sector organisations have faced over recent years and into the future. The financial challenges continue and SPT continues to work to maintain a stable, sustainable financial position whilst delivering transport services and developments for the residents and businesses in the west of Scotland.

The impact of the potential removal or significant reduction in capital funding support from the Scottish Government in 2024/2025 and potentially beyond will have a significant impact on SPT's ability to maintain its core assets and infrastructure and potentially delay or stop planned progress on transport initiatives in the SPT area. This could have a potential knock on effect on SPT's revenue position. Due to this position and until ongoing discussions with the Scottish Government are concluded, SPT's long term financial strategy and reverses policy cannot be finalised. It is proposed that these will be presented to the Partnership at the meeting in March.

## 6. Committee action

Notwithstanding the ongoing discussions with the Scottish Government regarding SPT's capital funding position for 2024/2025, the committee is requested to consider and recommend to the Partnership of 15 March 2024 the approval of:

- (i) the attached draft revenue budget for 2024/2025 at Appendix 2 of £36.598m, subject to refinements over the coming weeks;
- (ii) requisitions totalling £35.949m, a decrease of 1.04% compared to 2023/2024, noting that this will be amended to reflect any final change in the local government settlement formula;
- (iii) an increase to Subway fares in January 2025 as outlined in section 4;
- (iv) an increase to bus station departure and parking charges in April 2024 as outlined in section 4;
- (v) an increase in the maximum permitted farescale for supported bus services in August 2024 as outlined in section 4; and
- (vi) note that an update to the LTFS and Reserves Policy will be presented to the Partnership in March 2024.

## 7. Consequences

Policy consequences	<i>Draft budget has been aligned to agreed priorities.</i>
Legal consequences	<i>Requirement to set a balanced budget will be satisfied with Partnership approval.</i>
Financial consequences	<i>As detailed in the report.</i>
Personnel consequences	<i>As detailed in the report.</i>
Equalities consequences	<i>None directly.</i>



Risk consequences

*As detailed in the report.*

Climate Change, Adaptation &  
Carbon consequences

*Draft budget has been aligned where possible to agreed priorities including related to Climate Change, Adaptation and Carbon management priorities.*

**Name** Lesley Aird  
**Title** **Director of Finance &  
Corporate Support**

**Name** Valerie Davidson  
**Title** **Chief Executive**

For further information, please contact *Stuart Paul, Head of Finance* on 0141 333 3382.



## Proposed Council Requisition - SPT

Financial Year 2024/2025

	Requisition Financial Year 2023/2024	Proposed Financial Year 2024/2025
Argyll and Bute	416,173	412,121
East Ayrshire	1,975,763	1,933,883
East Dunbartonshire	1,763,323	1,752,230
East Renfrewshire	1,563,836	1,556,109
Glasgow	10,284,105	9,978,065
Inverclyde	1,241,936	1,260,319
North Ayrshire	2,173,307	2,144,472
North Lanarkshire	5,527,992	5,481,746
Renfrewshire	2,913,611	2,954,677
South Ayrshire	1,820,805	1,794,026
South Lanarkshire	5,224,066	5,259,905
West Dunbartonshire	1,421,507	1,421,074
<b>Total Requisition</b>	<b>36,326,423</b>	<b>35,948,627</b>

1. Assumes 1.04% decrease in overall requisition at this stage but this may change before Partnership approval.
2. Change in % allocation to Councils due to update on the latest Mid Point population survey (mid-2022)
3. SPT covers the Helensburgh and Lomond area of Argyll and Bute.



# Budget Report by Division

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft	
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26
<b>Chief Executive</b>					
Policy & Strategy	692,126	687,132	4,994	723,516	(36,384)
Chief Executive Unit	1,200,614	1,419,916	(219,303)	1,493,594	(73,678)
<b>Total Chief Executive</b>	1,892,739	2,107,048	(214,309)	2,217,109	(110,062)
<b>Operations</b>					
Subway	9,963,514	9,490,302	473,212	8,819,132	671,170
Bus Operations	18,854,855	19,046,411	(191,556)	20,012,040	(965,629)
Projects	425,195	338,924	86,271	355,358	(16,435)
Health and Safety	194,973	179,060	15,913	187,683	(8,623)
Customer Standards	682,055	655,808	26,247	687,220	(31,412)
<b>Total Operations</b>	30,120,592	29,710,504	410,088	30,061,433	(350,929)
<b>Business Support</b>					
Finance	1,513,653	1,410,993	102,661	1,486,688	(75,696)
Digital	1,337,651	1,441,876	(104,224)	1,346,195	95,680
Human Resources	383,432	372,960	10,471	394,282	(21,322)
Elected Members	63,531	64,278	(747)	64,278	-
Contact Centre	309,129	350,361	(41,232)	384,675	(34,314)
Corporate	(2,787,836)	(3,101,400)	313,563	(605,046)	(2,496,353)
<b>Total Business Support</b>	819,560	539,068	280,492	3,071,073	(2,532,005)
<b>Contribution to Capital Funded from Revenue</b>	4,143,030	4,241,507	(98,477)	889,026	3,352,481
<b>Net Total</b>	<b>36,975,922</b>	<b>36,598,127</b>	<b>377,795</b>	<b>36,238,641</b>	<b>359,486</b>
<b>Funded by:</b>					
SPT Requisition	36,326,423	35,948,627	(377,795)	35,589,141	(359,486)
RTP Core Funding	649,500	649,500	0	649,500	0
<b>Total Funding</b>	<b>36,975,923</b>	<b>36,598,127</b>	<b>0</b>	<b>36,238,641</b>	<b>359,486</b>
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Revenue Monitoring Report

Draft Budget Summary - 2024/25 - 2025/26

Historic Data	Proposed		Draft		Notes	
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26		Variance 24/25 v 25/26
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	20,146,092	21,745,551	(1,599,459)	22,731,719	(986,168)	1. Increased costs due to projected cost of living uplifts and short term roles to support Subway Modernisation programme and Digital BaRST projects.
Overtime	647,043	721,236	(74,193)	680,266	40,971	2. Increased overtime costs in 2024/2025 to support delivery of BaRST programme in relation to bus systems.
Other Employee Costs	5,696,885	3,711,614	1,985,271	3,873,035	(161,422)	3. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.
<b>Sub Total Employee Costs</b>	<b>26,490,020</b>	<b>26,178,401</b>	<b>311,619</b>	<b>27,285,020</b>	<b>(1,106,619)</b>	
<b>Property Costs</b>						
Electricity	3,495,518	3,849,228	(353,710)	3,541,290	307,938	4. Increased costs incorporating 2023/2024 current costs and including estimated increase as per Scotland Procurement projections (8%).
Repairs and Maintenance	403,000	435,500	(32,500)	438,000	(2,500)	5. Insurance costs expected to increase as per projections provided.
Property Insurance	397,000	468,000	(71,000)	468,000	-	6. Includes increases in security and cleaning which incorporate inflation and living wage adjustments. Also new budget for security for shared costs with ANSTA for the Subway NOA .
Other Property Costs	4,128,965	5,012,367	(883,402)	5,005,906	6,461	
<b>Sub Total Property Costs</b>	<b>8,424,483</b>	<b>9,765,095</b>	<b>(1,340,612)</b>	<b>9,453,196</b>	<b>311,899</b>	
<b>Supplies &amp; Services</b>	<b>1,463,919</b>	<b>1,263,816</b>	<b>200,102</b>	<b>1,245,443</b>	<b>18,373</b>	7. Reduced expenditure expected on old rolling stock due to new trains being in operation and reduced capitalisation projected based on assessment of planned work in 2024/2025.
<b>Transport &amp; Plant Costs</b>	<b>133,849</b>	<b>138,100</b>	<b>(4,251)</b>	<b>137,800</b>	<b>300</b>	
<b>Third Party Payments</b>						
Bus Operator Payments	14,840,400	16,764,826	(1,924,426)	17,563,068	(798,241)	8. Increased payments to bus operators incorporates anticipated increases in contract renewals (approximately 50 in total). The cost base has also increased as a result of new contracts added in 2023/2024 which are funded in part by external organisations such as Councils.
Communications	365,000	370,000	(5,000)	370,000	-	9. Contract increases across all areas as a result of inflation including Subway TSSSA. Includes increased Subway consultancy costs for one off pieces of work in relation to Subway transformation. New budget required for shared costs associated with ANSTA for Traffic Control Officers for the Subway NOA. Also as a result of increased computer maintenance costs. This includes increased costs of legacy systems and new area identified for investment.
Other Third Party Payments	9,364,007	11,285,559	(1,921,552)	10,866,472	419,087	
<b>Sub Total Third Party Payments</b>	<b>24,569,407</b>	<b>28,420,385</b>	<b>(3,850,978)</b>	<b>28,799,539</b>	<b>(379,155)</b>	
<b>Financing Costs</b>						
Contribution to Capital Funded from Revenue	4,143,030	4,241,507	(98,477)	889,026	3,352,481	10. A planned revenue contribution to the Capital Budget to provide support to the programme in 2024/2025.
<b>Sub Total Financing Costs</b>	<b>4,143,030</b>	<b>4,241,507</b>	<b>(98,477)</b>	<b>889,026</b>	<b>3,352,481</b>	
<b>TOTAL EXPENDITURE</b>	<b>65,224,708</b>	<b>70,007,304</b>	<b>(4,782,596)</b>	<b>67,810,025</b>	<b>2,197,279</b>	
<b>INCOME</b>						
Subway Income	(18,921,932)	(20,903,528)	1,981,597	(21,491,230)	587,702	11. Increased income in line with current 2023/2024 income projections and incorporates a fares increase. Income now more in line with pre pandemic levels.
Bus Station Income	(2,198,625)	(4,022,887)	1,824,262	(4,065,392)	42,505	12. Income from subsidised local services in respect of external funding from Councils, including s75 funded contracts has increased income by £1.180m compared to 2023/2024. Also includes increased income projected for departure charges, parking and other facilities at bus stations.
Agency Income - Agency Fee	(1,611,229)	(1,575,361)	(35,868)	(1,607,361)	32,000	13. Due to rising interest rates and current cash balances. High interest rates are scheduled to stay at current levels for longer than originally anticipated.
Interest Received	(5,100,000)	(6,500,000)	1,400,000	(4,000,000)	(2,500,000)	
Other Income	(417,000)	(407,400)	(9,600)	(407,400)	-	
<b>TOTAL INCOME</b>	<b>(28,248,787)</b>	<b>(33,409,177)</b>	<b>5,160,390</b>	<b>(31,571,383)</b>	<b>(1,837,793)</b>	
<b>Net Total</b>	<b>36,975,922</b>	<b>36,598,127</b>	<b>377,794</b>	<b>36,238,641</b>	<b>359,486</b>	
<b>Funded by:</b>						
SPT Requisition	36,326,422	35,948,627	(377,795)	35,589,141	(359,486.07)	
RTP Core Funding	649,500	649,500	0	649,500	0	
<b>Total Funding</b>	<b>36,975,922</b>	<b>36,598,127</b>	<b>0</b>	<b>36,238,641</b>	<b>359,486</b>	
<b>Difference</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



# Budget Report by Directorate - Policy & Strategy

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	520,991	572,496	(51,505)	602,741	(30,244)	1
Other Employee Costs	158,634	97,135	61,499	103,275	(6,140)	2
<b>Sub Total Employee Costs</b>	679,626	669,632	9,994	706,016	(36,384)	
<b>Supplies &amp; Services</b>	1,000	1,000	(0)	1,000	-	
<b>Transport &amp; Plant Costs</b>	1,500	1,500	(0)	1,500	-	
<b>Third Party Payments</b>						
Communications	10,000	15,000	(5,000)	15,000	-	
<b>Sub Total Third Party Payments</b>	10,000	15,000	(5,000)	15,000	-	
<b>TOTAL EXPENDITURE</b>	<b>692,126</b>	<b>687,132</b>	<b>4,994</b>	<b>723,516</b>	<b>(36,384)</b>	
<b>Net Total</b>	<b>692,126</b>	<b>687,132</b>	<b>4,994</b>	<b>723,516</b>	<b>(36,384)</b>	

- Notes**
1. Increased costs due to projected cost of living uplifts.
  2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



# Budget Report by Directorate - Chief Executive Unit

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	896,532	1,199,787	(303,256)	1,261,032	(61,245)	1
Other Employee Costs	283,732	207,129	76,603	219,562	(12,433)	2
<b>Sub Total Employee Costs</b>	1,180,264	1,406,916	(226,653)	1,480,594	(73,678)	
<b>Supplies &amp; Services</b>	15,000	8,000	7,000	8,000	-	
<b>Transport &amp; Plant Costs</b>	5,350	5,000	350	5,000	-	
<b>TOTAL EXPENDITURE</b>	<b>1,200,614</b>	<b>1,419,916</b>	<b>(219,303)</b>	<b>1,493,594</b>	<b>(73,678)</b>	
<b>Net Total</b>	<b>1,200,614</b>	<b>1,419,916</b>	<b>(219,303)</b>	<b>1,493,594</b>	<b>(73,678)</b>	

## Notes

1. Increased costs due to projected cost of living uplifts. Also includes the realignment of employees in relation to new Corporate Programme Delivery and Corporate Communication teams.
2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



## Budget Report by Directorate - Subway

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	11,554,611	12,316,975	(762,364)	12,934,808	(617,833)	1
Overtime	581,543	595,736	(14,193)	605,766	(10,029)	
Other Employee Costs	3,456,475	2,019,276	1,437,199	2,158,541	(139,265)	2
<b>Sub Total Employee Costs</b>	15,592,629	14,931,987	660,642	15,699,115	(767,127)	
<b>Property Costs</b>						
Electricity	2,960,730	3,382,560	(421,830)	3,111,955	270,605	3
Property Insurance	365,000	430,000	(65,000)	430,000	-	4
Other Property Costs	2,343,371	2,921,921	(578,550)	2,815,481	106,440	5
<b>Sub Total Property Costs</b>	5,669,101	6,734,481	(1,065,380)	6,357,437	377,045	
<b>Supplies &amp; Services</b>	1,236,400	1,028,300	208,100	1,034,579	(6,279)	6
<b>Transport &amp; Plant Costs</b>	9,000	9,000	(0)	9,000	-	
<b>Third Party Payments</b>						
Bus Operator Payments	25,400	35,545	(10,145)	37,322	(1,777)	
Other Third Party Payments	6,352,915	7,654,517	(1,301,602)	7,172,910	481,608	7
<b>Sub Total Third Party Payments</b>	6,378,315	7,690,062	(1,311,747)	7,210,231	479,830	
<b>TOTAL EXPENDITURE</b>	<b>28,885,446</b>	<b>30,393,830</b>	<b>(1,508,385)</b>	<b>30,310,361</b>	<b>83,469</b>	
<b>INCOME</b>						
Subway Income	(18,921,932)	(20,903,528)	1,981,597	(21,491,230)	587,702	8
<b>TOTAL INCOME</b>	<b>(18,921,932)</b>	<b>(20,903,528)</b>	<b>1,981,597</b>	<b>(21,491,230)</b>	<b>587,702</b>	
<b>Net Total</b>	<b>9,963,514</b>	<b>9,490,302</b>	<b>473,212</b>	<b>8,819,132</b>	<b>671,170</b>	

### Notes

1. Increased costs due to projected cost of living uplifts.
2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.
3. Increased costs incorporating 2023/2024 current costs and including estimated increase as per Scotland Procurement projections (8%).
4. Insurance costs expected to increase as per projections provided.
5. Includes Increases in security and cleaning which incorporate inflation and living wage adjustments. Also new budget for security for shared costs with ANSTA for the Subway NOA.
6. Reduced expenditure expected on old rolling stock due to new trains being in operation.
7. Contract increases across all areas as a result of inflation including Subway TSSSA. Includes increased Subway consultancy costs for one off pieces of work in relation to Subway transformation. New budget required for shared costs associated with ANSTA for Traffic Control Officers for the Subway NOA.
8. Increased income in line with current 2023/2024 income projections and incorporates a fares increase. Income now more in line with pre pandemic levels.



## Budget Report by Directorate - Bus Operations

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	2,888,086	3,052,557	(164,471)	3,218,090	(165,533)	1
Overtime	48,000	100,000	(52,000)	58,000	42,000	2
Other Employee Costs	848,062	482,264	365,798	509,905	(27,641)	3
<b>Sub Total Employee Costs</b>	<b>3,784,148</b>	<b>3,634,821</b>	<b>149,327</b>	<b>3,785,995</b>	<b>(151,174)</b>	
<b>Property Costs</b>						
Electricity	396,855	350,028	46,827	322,026	28,002	4
Repairs and Maintenance	378,000	408,000	(30,000)	408,000	-	
Property Insurance	20,000	24,000	(4,000)	24,000	-	
Other Property Costs	1,409,379	1,611,568	(202,190)	1,695,366	(83,798)	5
<b>Sub Total Property Costs</b>	<b>2,204,233</b>	<b>2,393,596</b>	<b>(189,363)</b>	<b>2,449,392</b>	<b>(55,796)</b>	
<b>Supplies &amp; Services</b>	<b>43,000</b>	<b>68,000</b>	<b>(25,000)</b>	<b>68,000</b>	<b>-</b>	
<b>Transport &amp; Plant Costs</b>	<b>108,100</b>	<b>113,100</b>	<b>(5,000)</b>	<b>112,800</b>	<b>300</b>	
<b>Third Party Payments</b>						
Bus Operator Payments	14,815,000	16,729,282	(1,914,282)	17,525,746	(796,464)	6
Other Third Party Payments	289,000	300,500	(11,500)	305,500	(5,000)	
<b>Sub Total Third Party Payments</b>	<b>15,104,000</b>	<b>17,029,782</b>	<b>(1,925,782)</b>	<b>17,831,246</b>	<b>(801,464)</b>	
<b>TOTAL EXPENDITURE</b>	<b>21,243,481</b>	<b>23,239,298</b>	<b>(1,995,818)</b>	<b>24,247,432</b>	<b>(1,008,134)</b>	
<b>INCOME</b>						
Bus Operations Income	(2,198,625)	(4,022,887)	1,824,262	(4,065,392)	42,505	7
Agency Fee Income - Councils	(190,000)	(170,000)	(20,000)	(170,000)	-	
<b>TOTAL INCOME</b>	<b>(2,388,625)</b>	<b>(4,192,887)</b>	<b>1,804,262</b>	<b>(4,235,392)</b>	<b>42,505</b>	
<b>Net Total</b>	<b>18,854,855</b>	<b>19,046,411</b>	<b>(191,556)</b>	<b>20,012,040</b>	<b>(965,629)</b>	

### Notes

1. Increased costs due to projected cost of living uplifts.
2. Increased overtime costs in 2024/2025 to support delivery of BaRST programme in relation to bus systems.
3. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.
4. Increased costs incorporating 2023/2024 current costs and including estimated increase as per Scotland Procurement projections (8%). However, the net electricity budget has reduced as a result of electricity costs for tenants at BBS now being charged to them direct rather than recharged through SPT.
5. Includes Increases in security and cleaning which incorporate inflation and living wage adjustments. Also includes increases in property rates, gas and uplift of waste costs.
6. Increased payments to bus operators incorporates anticipated increases in contract renewals (approximately 50 in total). The cost base has also increased as a result of new contracts added in 2023/2024 which are funded in part by external organisations such as Councils.
7. Income from subsidised local services in respect of external funding from Councils, including s75 funded contracts has increased income by £1.180m compared to 2023/2024. Also includes increased income projected for departure charges, parking and other facilities at bus stations.





# Budget Report by Directorate - Projects

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	717,297	706,450	10,847	740,604	(34,154)	1
Other Employee Costs	222,033	120,859	101,174	127,792	(6,933)	2
<b>Sub Total Employee Costs</b>	939,330	827,309	112,021	868,396	(41,087)	
<b>Supplies &amp; Services</b>	(519,135)	(493,386)	(25,750)	(518,038)	24,652	3
<b>Transport &amp; Plant Costs</b>	5,000	5,000	(0)	5,000	-	
<b>TOTAL EXPENDITURE</b>	<b>425,195</b>	<b>338,924</b>	<b>86,271</b>	<b>355,358</b>	<b>(16,435)</b>	
<b>Net Total</b>	<b>425,195</b>	<b>338,924</b>	<b>86,271</b>	<b>355,358</b>	<b>(16,435)</b>	

**Notes**

1. Increased costs due to projected cost of living uplifts.
2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.
3. Reduced capitalisation projected based on assessment of planned work in 2024/2025.



# Budget Report by Directorate - Health and Safety

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	148,716	151,362	(2,646)	158,530	(7,168)	1
Other Employee Costs	45,457	26,898	18,559	28,354	(1,455)	2
<b>Sub Total Employee Costs</b>	194,173	178,260	15,913	186,883	(8,623)	
<b>Supplies &amp; Services</b>	600	600	(0)	600	-	
<b>Transport &amp; Plant Costs</b>	200	200	-	200	-	
<b>TOTAL EXPENDITURE</b>	<b>194,973</b>	<b>179,060</b>	<b>15,913</b>	<b>187,683</b>	<b>(8,623)</b>	
<b>Net Total</b>	<b>194,973</b>	<b>179,060</b>	<b>15,913</b>	<b>187,683</b>	<b>(8,623)</b>	

**Notes**

1. Increased costs due to projected cost of living uplifts.
2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



# Budget Report by Directorate - Customer Standards

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	474,962	509,246	(34,284)	535,358	(26,112)	1
Overtime	10,000	10,000	0	10,000	-	
Other Employee Costs	148,093	82,561	65,532	87,862	(5,301)	2
<b>Sub Total Employee Costs</b>	633,055	601,808	31,247	633,220	(31,412)	
<b>Supplies &amp; Services</b>	48,000	53,000	(5,000)	53,000	-	
<b>Transport &amp; Plant Costs</b>	1,000	1,000	(0)	1,000	-	
<b>TOTAL EXPENDITURE</b>	<b>682,055</b>	<b>655,808</b>	<b>26,247</b>	<b>687,220</b>	<b>(31,412)</b>	
<b>Net Total</b>	<b>682,055</b>	<b>655,808</b>	<b>26,247</b>	<b>687,220</b>	<b>(31,412)</b>	

**Notes**

- 1. Increased costs due to projected cost of living uplifts.
- 2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



# Budget Report by Directorate - Finance

## Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	Notes
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	1,157,571	1,204,375	(46,804)	1,267,297	(62,922)	1
Other Employee Costs	346,382	195,918	150,465	208,691	(12,773)	2
<b>Sub Total Employee Costs</b>	1,503,954	1,400,293	103,661	1,475,988	(75,696)	
<b>Supplies &amp; Services</b>	4,500	5,500	(1,000)	5,500	-	
<b>Transport &amp; Plant Costs</b>	200	200	(0)	200	-	
<b>Third Party Payments</b>						
Other Third Party Payments	5,000	5,000	(0)	5,000	-	
<b>Sub Total Third Party Payments</b>	5,000	5,000	(0)	5,000	-	
<b>TOTAL EXPENDITURE</b>	<b>1,513,653</b>	<b>1,410,993</b>	<b>102,661</b>	<b>1,486,688</b>	<b>(75,696)</b>	
<b>Net Total</b>	<b>1,513,653</b>	<b>1,410,993</b>	<b>102,661</b>	<b>1,486,688</b>	<b>(75,696)</b>	

- Notes**
1. Increased costs due to projected cost of living uplifts. This is partially offset by removal of Business Improvement Analyst post.
  2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



# Budget Report by Directorate - Digital

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	1,031,158	1,210,227	(179,069)	1,144,936	65,291	1
Overtime	5,000	13,000	(8,000)	4,000	9,000	1
Other Employee Costs	298,493	182,167	116,327	194,259	(12,093)	2
<b>Sub Total Employee Costs</b>	<b>1,334,651</b>	<b>1,405,394</b>	<b>(70,742)</b>	<b>1,343,195</b>	<b>62,198</b>	
<b>Supplies &amp; Services</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>2,000</b>	<b>-</b>	
<b>Transport &amp; Plant Costs</b>	<b>1,000</b>	<b>1,000</b>	<b>(0)</b>	<b>1,000</b>	<b>-</b>	
<b>Third Party Payments</b>	<b>-</b>	<b>33,482</b>	<b>-</b>	<b>-</b>	<b>33,482</b>	
<b>TOTAL EXPENDITURE</b>	<b>1,337,651</b>	<b>1,441,876</b>	<b>(70,742)</b>	<b>1,346,195</b>	<b>95,680</b>	
<b>Net Total</b>	<b>1,337,651</b>	<b>1,441,876</b>	<b>(70,742)</b>	<b>1,346,195</b>	<b>95,680</b>	

- Notes**
1. Increased costs due to projected cost of living uplifts and short term roles to support BaRST programme.
  2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



# Budget Report by Directorate - Human Resources

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	290,272	314,300	(24,028)	332,024	(17,724)	1
Other Employee Costs	86,159	51,660	34,499	55,258	(3,598)	2
<b>Sub Total Employee Costs</b>	376,432	365,960	10,471	387,282	(21,322)	
<b>Supplies &amp; Services</b>	7,000	7,000	-	7,000	-	
<b>TOTAL EXPENDITURE</b>	<b>383,432</b>	<b>372,960</b>	<b>10,471</b>	<b>394,282</b>	<b>(21,322)</b>	
<b>Net Total</b>	<b>383,432</b>	<b>372,960</b>	<b>10,471</b>	<b>394,282</b>	<b>(21,322)</b>	

**Notes**

- 1. Increased costs due to projected cost of living uplifts.
- 2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.



# Budget Report by Directorate - Elected Members

Draft Budget Summary - 2024/25 - 2025/26

**EXPENDITURE**

**Supplies & Services**

**Transport & Plant Costs**

**TOTAL EXPENDITURE**

**Net Total**

Historic Data	Proposed		Draft	
Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26
61,531	62,278	(747)	62,278	-
2,000	2,000	(0)	2,000	-
<b>63,531</b>	<b>64,278</b>	<b>(747)</b>	<b>64,278</b>	<b>-</b>
<b>63,531</b>	<b>64,278</b>	<b>(747)</b>	<b>64,278</b>	<b>-</b>



# Budget Report by Directorate - Contact Centre

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	465,896	507,776	(41,880)	536,300	(28,524)	1
Overtime	2,500	2,500	(0)	2,500	-	
Other Employee Costs	126,363	68,746	57,617	74,536	(5,790)	2
<b>Sub Total Employee Costs</b>	594,758	579,022	15,737	613,336	(34,314)	
<b>Supplies &amp; Services</b>	66,100	63,600	2,500	63,600	-	
<b>Transport &amp; Plant Costs</b>	500	100	400	100	-	
<b>Third Party Payments</b>						
Other Third Party Payments	47,000	50,000	(3,000)	50,000	-	
<b>Sub Total Third Party Payments</b>	47,000	50,000	(3,000)	50,000	-	
<b>TOTAL EXPENDITURE</b>	<b>708,358</b>	<b>692,722</b>	<b>15,636</b>	<b>727,036</b>	<b>(34,314)</b>	
<b>INCOME</b>						
Agency Fee Income - Councils	(389,229)	(342,361)	(46,868)	(342,361)	-	3
Other Income	(10,000)	-	(10,000)	-	-	3
<b>TOTAL INCOME</b>	<b>(399,229)</b>	<b>(342,361)</b>	<b>(56,868)</b>	<b>(342,361)</b>	<b>-</b>	
<b>Net Total</b>	<b>309,129</b>	<b>350,361</b>	<b>(41,232)</b>	<b>384,675</b>	<b>(34,314)</b>	

## Notes

1. Increased costs due to projected cost of living uplifts.
2. Due to reduced employer pension contributions in 2024/2025 and 2025/2026.
3. Income from Glasgow City Council for Enhanced DRT scheduling work now allocated under Network Analysis.





## Budget Report by Directorate - Corporate

Draft Budget Summary - 2024/25 - 2025/26

	Historic Data	Proposed		Draft		Notes
	Budget 2023/24	Budget 2024/25	Variance 23/24 v 24/25	Budget 2025/26	Variance 24/25 v 25/26	
<b>EXPENDITURE</b>						
<b>Employee Costs</b>						
Salaries	-	-	-	-	-	
Other Employee Costs	(323,000)	177,000	(500,000)	105,000	72,000	1
<b>Sub Total Employee Costs</b>	(323,000)	177,000	(500,000)	105,000	72,000	
<b>Property Costs</b>						
Electricity	137,933	116,640	21,293	107,309	9,331	
Repairs and Maintenance	25,000	27,500	(2,500)	30,000	(2,500)	
Property Insurance	12,000	14,000	(2,000)	14,000	-	
Other Property Costs	376,215	478,877	(102,662)	495,058	(16,181)	2
<b>Sub Total Property Costs</b>	551,148	637,017	(85,869)	646,367	(9,350)	
<b>Supplies &amp; Services</b>	497,924	457,924	40,000	457,924	-	
<b>Transport &amp; Plant Costs</b>	-	-	-	-	-	
<b>Third Party Payments</b>						
Communications	355,000	355,000	(0)	355,000	-	
Other Third Party Payments	2,670,092	3,242,059	(571,967)	3,333,062	(91,003)	3
<b>Sub Total Third Party Payments</b>	3,025,092	3,597,059	(571,968)	3,688,062	(91,003)	
<b>Financing Costs</b>						
Contribution to Subway Fund	-	-	-	-	-	
Contribution to Capital Funded from Revenue	4,143,030	4,241,507	(98,477)	889,026	3,352,481	4
<b>Sub Total Financing Costs</b>	4,143,030	4,241,507	(98,477)	889,026	3,352,481	
<b>TOTAL EXPENDITURE</b>	<b>7,894,194</b>	<b>9,110,507</b>	<b>(1,216,314)</b>	<b>5,786,380</b>	<b>3,324,128</b>	
<b>INCOME</b>						
Agency Fee Income - Councils	(1,032,000)	(1,063,000)	31,000	(1,095,000)	32,000	
Interest Received	(5,100,000)	(6,500,000)	1,400,000	(4,000,000)	(2,500,000)	5
Other Income	(407,000)	(407,400)	400	(407,400)	-	
<b>TOTAL INCOME</b>	<b>(6,539,000)</b>	<b>(7,970,400)</b>	<b>1,431,400</b>	<b>(5,502,400)</b>	<b>(2,468,000)</b>	
<b>Net Total</b>	<b>1,355,194</b>	<b>1,140,107</b>	<b>215,086</b>	<b>283,980</b>	<b>856,128</b>	

### Notes

1. Increased costs as a result of reduced vacancy time lag adjustment given reduced number of vacant posts.
2. Includes increases in security and cleaning which incorporate inflation and living wage adjustments. Also includes increases in property rates and gas costs.
3. Mainly as a result of increased computer maintenance costs. This includes increased costs of legacy systems and new area identified for investment.
4. A planned revenue contribution to the Capital Budget to provide support to the programme in 2024/2025.
5. Due to rising interest rates and current cash balances. High interest rates are scheduled to stay at current levels for longer than originally anticipated.