



2022/2023 Revenue Outturn, Revenue Monitoring Report as at Period 4, ending 22 July 2023 and updated Financial Forecast for Financial Year 2023/2024

Date of meeting 8 September 2023

Date of report 18 August 2023

Report by Director of Finance & Corporate Support

1. Object of report

To advise members of the final outturn for the financial year 2022/2023 and also to report the net revenue position as at the end of Period 4, 22 July 2023 including an updated financial forecast for the current financial year, stating the assumptions made regarding income and expenditure levels.

2. Background to report

The Partnership approved a balanced budget on 17 March 2023. This balanced budget provided for a net revenue budget of £36.976m, funded by local authority requisitions (£36.326m) and Transport Scotland revenue support grant (£0.650m).

Since the beginning of 2022/2023 there have been significant cost pressures across various expenditure areas. These include the rapid increase in inflation (which while now reducing, is still at a high level), significant increases in gas and electricity prices, sustained increases in contracted bus service costs and in respect of annual wage inflation. These financial pressures are not short term in nature and will have material impacts on internal and external costs in the current and future financial years.

In developing the budget, a number of key assumptions were made. These assumptions were made in a very challenging and unpredictable environment and resulted in the implementation of measures to reduce SPT's expenditure and maximise income opportunities to ensure the provision of an achievable balanced budget for 2023/2024.

3. 2022/2023 Final Outturn

The final outturn for 2022/2023 was £36.281m. During 2022/2023 it was reported to Committee that as a result of close management of all expenditure lines and in year positive movements in Subway income and interest received, an underspend on revenue activities would be achieved which would allow SPT to review the reserves position with a view to transferring any underspends to the most appropriate reserves.

In line with the Committee action in the February 2023, 'Revenue Monitoring Report as at *Period 10, ending 7 January 2023 and updated Financial Forecast for Financial Year 2022/2023*' report, the underspend generated allowed SPT to add to the Subway Fund, Transport Future Investment Fund and the Subway Infrastructure Fund. This will provide financial resilience to SPT for future financial years and support key transport developments in the future.

While the opportunity to add to reserves in 2022/2023 was an extremely positive and welcome position, it is not sustainable in the long term due to rising employee costs, significant utilities cost increases, contract inflation pressure and increase supported services contract costs.

The final summary revenue monitoring position for 2022/2023 can be found in Appendix 1.

4. Current Position

Since the beginning of the financial year there has been continued positive recovery in terms of Subway patronage with current passenger numbers now recovered to pre-Covid levels. This represents a further increase in patronage compared with 2022/2023 levels which is encouraging. There is, naturally, some variability in this percentage between days with the highest daily passenger numbers occurring in and around the weekend when more social/leisure related journeys occur. Indeed, in recent weeks, patronage numbers achieved during the first weekend of the UCI Cycling World Championships were the highest overall since the current Smartcard ticketing system was installed in 2013.

At this stage in 2023/2024, there is stability in terms of the revenue expenditure being incurred relative to the assumed budget for areas directly within SPT's control. As we move into the next quarter of the financial year this needs to be sustained. This is particularly important given the current inflationary pressures which could have a direct impact on both expenditure and income budgets in the current and future financial years. Detailed departmental revenue monitoring reports can be found in Appendix 2.

The key projected variances and areas of risk to note at this stage of the financial year are:

- (i) The current proposed pay award which is subject to ongoing negotiation will impact on the overall budget position. At the time of writing COSLA has made an offer equivalent to an increase of 5% to the overall paybill from April 2023 with a further percentage increase, dependent on grade applied in January 2024 (an average of 2%). This current offer has been rejected by respective local government trade unions. SPT prudently budgeted for a pay award of 5% for employees in the 2023/2024 budget and any increase beyond this will have to be met in year from within the overall budget envelope at this stage. The impact of the final pay award agreed will be reflected in year end forecasts once an agreed position is known.

At this stage, as a result of projected savings from vacant posts in the establishment partially offset by incorporating the current pay offer from COSLA, a positive variance of £0.572m is currently forecast. This is subject to agreement of the pay award and the details of said award.

- (ii) The impact of high inflation and unit price increases in utilities will have a negative impact on SPT budgets. SPT was mostly shielded in 2022/2023 due to being part of the Scottish Procurement Framework which buys the majority of its energy up to 2.5 years ahead. However, significant increases in 2023/2024 have taken effect from April 2024 where electricity unit rates have increased by an average of 75% when compared with 2022/2023. During the budget setting process for 2023/2024 and based information provided by Scottish Procurement a 59% increase in electricity budgets was projected. Therefore, an overspend in electricity is projected in 2023/2024 at this stage.

Security costs associated with the new Operations Control Centre (OCC) and non operating areas have also been factored into the current projected outturn. These are agreed shared costs between SPT and ANSTA for these areas up until the assets are fully handed over to SPT as part of the Subway Modernisation

programme. Taking all of the above into account a negative variance of £0.340m is currently forecast.

- (iii) An underspend on bus operator payments of £0.184m was reported in the financial implications report which was tabled at the most recent Operations Committee. However, caution remains for the remainder of the financial year as this budget is subject to the fluctuations in the bus market, with requests for SPT to fill gaps in commercial services commonly received at short notice. For context the net projected outturn of £13.520m for 2023/2024 represents a cost increase of approximately £2.8m (26%) when compared to 2021/2022 actual costs. This demonstrates the significant financial challenges that SPT have experienced in the bus market over the last 12-18 months which includes the impact of reduced government support to bus operators, inflationary pressures on operational costs and operator driver shortages. Given this, the projection for the financial year remains in line with the approved budget at this stage.
- (iv) As mentioned above Subway patronage and income in the year to date has seen further increases when compared to 2022/2023. Passenger numbers and income has also exceeded budget expectations in the first quarter of 2023/2024 with a significant positive variance to date. Subway patronage and income varies significantly through the year, with August to October traditionally significant months due to the return of higher education and university students and it is hoped this positive trend continues in the coming months. At this stage, based on an over recovery of income of £0.815m, as at P4, a positive variance in Subway income of £1.500m has been projected for 2023/2024. Passenger numbers and projections will continue to be monitored as potential risks remain such as reduced passenger numbers due to the current cost of living crisis with the potential risk of a reduction in leisure related events and travel, which have contributed significantly to the current recovery.
- (v) Bus station income is performing well in relation to budget. Additional income has been achieved up to P4 due to increased income from departure charges, parking fees and toilet facilities income. The positive variance of £0.150m has been projected at this stage as it is unclear if this is a sustainable trend that will continue until the end of the financial due to current pressures in the bus market mentioned above which may result in bus operators reducing the frequency of bus services or removing them completely which would have a negative impact on bus station income.
- (vi) Interest received is forecast to exceed budget by £1.5m in 2023/2024. This is a result of increased interest rates received for current cash balances, due to the knock on effect of further increases to UK base rates, which are expected to remain at higher rates than anticipated for longer. For context in 2021/2022 SPT achieved £0.491m in interest from cash balances. This increased to £3.919m in 2022/2023 and for 2023/2024 it is projected to be £6.600m. Cash balances will continue to be managed in line with SPT's treasury management strategy. This is a short term benefit to SPT's financial position with interest rates projected to reduce down gradually in mid to late 2024.

The overall position is a forecast year end underspend of £3.342m. This is mainly as a result of close management of all expenditure lines and in year positive movements in Subway income and interest received detailed above.

Given the uncertainties that still exist around public transport provision and cost pressures, including an agreed pay award, caution remains around year end projections especially given the inflationary pressures which may impact negatively on the bus market and throughout other expenditure areas within the SPT budget.

It will be clearer later in the financial year whether the current positive forecast is sustainable. At that stage options will be considered to make best use of the current in year projected underspend by reviewing the current reserves position to assess the most appropriate placement of the any balances/underspend unallocated. This will be tabled for consideration at a future Committee.

5. Committee action

The Committee is requested to consider this report and to note:

- (i) the final outturn position for 2022/2023;
- (ii) the projected outturn position for 2023/2024 based on the information available at the end of P4; and
- (iii) the financial pressures which continue to impact in the current financial year including increased inflation, rising utilities costs and increased supported service contract costs and therefore uncertainties remain in relation to the year end projection.

6. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>All legislation and regulations are adhered to.</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	<i>As detailed in the report.</i>
Climate Change, Adaptation & Carbon consequences	<i>Approved budget has been aligned to agreed priorities including related to Climate Change, Adaptation and Carbon management priorities.</i>

Name	Neil Wylie	Name	Valerie Davidson
Title	Director of Finance & Corporate Support	Title	Chief Executive

For further information, please contact *Neil Wylie, Director of Finance & Corporate Support on 0141 333 3380.*



Revenue Monitoring Report

For Year 22/23 Period 13 ending 31-Mar-2023

	Year to Date				Notes
	Actual	Budget	Variance	Variance %	
EXPENDITURE					
Employee Costs					
Salaries	17,146,300	17,511,040	364,740	2%	1
Overtime	663,248	615,040	(48,209)	(8%)	2
Other Employee Costs	5,767,518	5,904,660	137,142	2%	1
Sub Total Employee Costs	23,577,066	24,030,739	453,673	2%	
Property Costs					
Electricity	2,066,028	2,198,439	132,411	6%	3
Repairs and Maintenance	371,990	433,000	61,011	14%	4
Property Insurance	391,336	381,000	(10,336)	(3%)	
Other Property Costs	3,998,907	3,713,849	(285,058)	(8%)	5
Sub Total Property Costs	6,828,261	6,726,288	(101,973)	(2%)	
Supplies & Services	1,534,070	2,082,408	548,338	26%	6
Transport & Plant Costs	97,160	136,550	39,389	29%	
Third Party Payments					
Bus Operator Payments	13,211,823	13,361,737	149,915	1%	7
Communications	353,447	369,000	15,553	4%	
Other Third Party Payments	7,910,573	9,492,371	1,581,797	17%	8
Sub Total Third Party Payments	21,475,843	23,223,108	1,747,265	8%	
Financing Costs					
Contribution to Subway Fund	5,070,000	-	(5,070,000)		9
Contribution to Transport Future Investment Fund	2,000,000	-	(2,000,000)		10
Contribution to Subway Infrastructure Fund	4,324,525	-	(4,324,525)		10
Sub Total Financing Costs	11,394,525	-	(11,394,525)		
TOTAL EXPENDITURE	64,906,926	56,199,093	(8,707,833)	(15%)	
INCOME					
Subway Income	(19,981,566)	(14,548,560)	5,433,006	(37%)	11
Bus Operations Income	(2,619,752)	(2,189,081)	430,671	(20%)	12
Agency Fee Income - Councils	(1,549,381)	(1,488,347)	61,034	(4%)	13
Interest Received	(3,918,804)	(1,300,000)	2,618,804	(201%)	14
Other Income	(556,317)	(392,000)	164,317	(42%)	15
TOTAL INCOME	(28,625,820)	(19,917,987)	8,707,832	(44%)	
Net Total	36,281,106	36,281,106	(0)	(0%)	

Notes

- Due to vacant posts in the establishment. This is partially offset by the impact of the pay award applied.
- Increased overtime due to additional short term resources required to support Bus Operations and Subway Operation activities.
- Due to current unit rate costs which are anticipated to increase in 2023/2024.
- Due to savings in repairs and maintenance costs at bus stations.
- Includes costs in relation to property rates for vacant rental properties.
- As a result of savings in rolling stock, infrastructure, training costs and general supplies and services.
- Actual costs for supported services and My Bus increased by £1.3m when compared with 2021/2022 costs. This was due to the current cost pressures facing bus operators and the market in general. However the increased costs could be contained within the 2022/2023 approved budget.
- As a result of projected savings in maintenance contracts and consultancy fees. Also budget included provision for potential additional costs to SPT due to increased inflation, fuel prices and potential changes in the bus market. However provision wasn't required.
- The original planned contribution to the Subway Fund in 2022/2023 can now be reinstated due to the current projected underspend.
- Transfer to the Transport Future Investment Fund and Subway Infrastructure Fund for the financial year 2022/23 as per the February S&P Committee.
- Income generated from Subway ticket sales has exceeded budget projections in the financial year due to significant recovery in patronage during the year.
- Departure charge income and other bus station facilities income over achieved against budget in 2022/2023 more than originally anticipated.
- Recovery of increased travel card unit costs from Concessionary Travel Scheme and also recovery of costs for u-22 applications support recovered in full from the Improvement Service.
- Increased income due to increased rates and cash balances.
- Due to increased rental income in 2022/2023.



Committee Report by Division

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget			
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %
Chief Executive								
Policy & Strategy	210,764	213,689	2,925	1%	692,126	692,126	-	0%
Chief Executive Unit	308,088	321,680	13,592	4%	1,042,209	1,042,209	-	0%
Total Chief Executive	518,852	535,369	16,517	3%	1,734,334	1,734,334	-	0%
Operations								
Subway	3,013,115	3,674,600	661,485	18%	8,318,514	9,618,514	1,300,000	14%
Bus Operations	5,369,390	5,794,369	424,980	7%	18,617,355	18,767,355	150,000	1%
Projects	57,170	51,050	(6,120)	(12%)	92,695	165,195	72,500	44%
Health and Safety	53,757	60,197	6,439	11%	194,973	194,973	-	0%
Customer Standards	183,174	210,580	27,406	13%	642,055	682,055	40,000	6%
Total Operations	8,676,605	9,790,796	1,114,190	11%	27,865,592	29,428,092	1,562,500	5%
Business Support								
Finance	420,397	433,292	12,894	3%	1,368,653	1,403,653	35,000	2%
Digital	379,887	421,808	41,920	10%	1,266,056	1,366,056	100,000	7%
Human Resources	100,318	109,892	9,574	9%	336,932	355,932	19,000	5%
Elected Members	19,371	19,615	244	1%	63,531	63,531	-	0%
Contact Centre	90,030	83,092	(6,938)	(8%)	269,129	269,129	-	0%
Corporate	(1,604,105)	(551,982)	1,052,123	(191%)	(3,412,836)	(1,787,836)	1,625,000	(91%)
Total Business Support	(594,101)	515,715	1,109,816	215%	(108,535)	1,670,465	1,779,000	106%
Contribution to Capital Funded from Revenue	1,279,132	1,279,132	-	0%	4,143,030	4,143,030	-	0%
Net Total	9,880,489	12,121,012	2,240,524	18%	33,634,421	36,975,921	3,341,500	9%



Revenue Monitoring Report

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	5,817,817	5,989,955	172,138	3%	18,993,592	19,401,092	407,500	2%	1
Overtime	174,600	199,770	25,171	13%	647,043	647,043	-	0%	
Other Employee Costs	1,902,509	1,988,888	86,379	4%	6,277,885	6,441,885	164,000	3%	1
Sub Total Employee Costs	7,894,926	8,178,613	283,687	3%	25,918,520	26,490,020	571,500	2%	
Property Costs									
Electricity	1,060,323	1,079,217	18,895	2%	3,620,518	3,495,518	(125,000)	(4%)	2
Repairs and Maintenance	48,284	124,423	76,140	61%	403,000	403,000	-	0%	3
Property Insurance	149,315	122,571	(26,744)	(22%)	397,000	397,000	-	0%	3
Other Property Costs	1,362,639	1,274,790	(87,850)	(7%)	4,343,965	4,128,965	(215,000)	(5%)	4
Sub Total Property Costs	2,620,561	2,601,001	(19,559)	(1%)	8,764,483	8,424,483	(340,000)	(4%)	
Supplies & Services	524,711	451,975	(72,736)	(16%)	1,463,919	1,463,919	-	0%	3
Transport & Plant Costs	21,990	41,325	19,335	47%	133,849	133,849	-	0%	3
Third Party Payments									
Bus Operator Payments	4,426,760	4,581,872	155,112	3%	14,840,400	14,840,400	-	0%	5
Communications	122,273	112,691	(9,582)	(9%)	365,000	365,000	-	0%	
Other Third Party Payments	2,667,050	2,891,073	224,024	8%	9,364,007	9,364,007	-	0%	6
Sub Total Third Party Payments	7,216,083	7,585,637	369,554	5%	24,569,407	24,569,407	-	0%	
Financing Costs									
Contribution to Capital Funded from Revenue	1,279,132	1,279,132	-	0%	4,143,030	4,143,030	-	0%	7
Sub Total Financing Costs	1,279,132	1,279,132	-	0%	4,143,030	4,143,030	-	0%	
TOTAL EXPENDITURE	19,557,402	20,137,683	580,281	3%	64,993,208	65,224,708	231,500	0%	
INCOME									
Subway Income	(5,952,141)	(5,137,068)	815,073	(16%)	(20,421,932)	(18,921,932)	1,500,000	(8%)	8
Bus Operations Income	(789,028)	(678,811)	110,217	(16%)	(2,308,625)	(2,198,625)	110,000	(5%)	9
Agency Fee Income - Councils	(494,779)	(497,456)	(2,677)	1%	(1,611,229)	(1,611,229)	-	0%	
Interest Received	(2,314,169)	(1,574,590)	739,579	(47%)	(6,600,000)	(5,100,000)	1,500,000	(29%)	10
Other Income	(126,796)	(128,746)	(1,950)	2%	(417,000)	(417,000)	-	0%	
TOTAL INCOME	(9,676,913)	(8,016,671)	1,660,243	(21%)	(31,358,787)	(28,248,787)	3,110,000	(11%)	
Net Total	9,880,489	12,121,012	2,240,524	18%	33,634,421	36,975,921	3,341,500	9%	

Notes

1. Current position due to vacant posts in the establishment. This is partially offset by additional costs under corporate in respect of displaced staff. Outturn reflects vacant posts run rate partially offset by adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.
2. Due to increases in unit rates for electricity. Increased costs for the Subway partially offset by reduced costs under Bus Operations due to new meters installed at BBS. This means tenants are now billed directly.
3. Current position due to timing issues in respect of expenditure/budget phasing.
4. Increased costs in relation to security costs associated with the new OCC and non operating areas at the Subway and also costs in relation to property rates for vacant rental properties.
5. Current position due to timing issues in respect of expenditure/budget phasing particularly in relation to community transport costs. In line with the Financial Implications paper at the recent Operations Committee it is likely that this budget will be under pressure given the current issues facing bus operators and the market in general.
6. Current position due to timing issues in respect of expenditure/budget phasing. Outturn adjusted to reflect costs in relation to traffic control officer costs at the Subway which offset projected savings in corporate costs.
7. Includes proposed contributions to General Capital and also Subway Modernisation.
8. Income generated from Subway ticket sales is exceeding budget projections in the first 4 periods of the financial year. Based on this current trend a prudent year end projection has been estimated.
9. Departure charge income and other bus station facilities income performing well against budget. It is unclear if this trend will be fully sustainable over the course of the year and therefore outturn reflects additional income achieved to date only at this stage.
10. Increased income anticipated due to current rates and cash balances.



Committee Report by Directorate - Policy & Strategy

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	159,161	160,853	1,692	1%	520,991	520,991	-	0%	1
Other Employee Costs	48,441	48,977	536	1%	158,634	158,634	-	0%	1
Sub Total Employee Costs	207,602	209,830	2,228	1%	679,626	679,626	-	0%	
Supplies & Services	-	309	309	100%	1,000	1,000	-	0%	
Transport & Plant Costs	595	463	(132)	(29%)	1,500	1,500	-	0%	
Third Party Payments									
Communications	2,567	3,087	521	17%	10,000	10,000	-	0%	
Sub Total Third Party Payments	2,567	3,087	521	17%	10,000	10,000	-	0%	
TOTAL EXPENDITURE	210,764	213,689	2,925	1%	692,126	692,126	-	0%	
Net Total	210,764	213,689	2,925	1%	692,126	692,126	-	0%	

Notes

1. No change in outturn at this stage until the cost of living pay award is agreed.



Committee Report by Directorate - Chief Executive Unit

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	234,665	239,581	4,915	2%	776,192	776,192	-	0%	1
Other Employee Costs	73,003	76,434	3,431	4%	247,667	247,667	-	0%	1
Sub Total Employee Costs	307,669	316,015	8,346	3%	1,023,859	1,023,859	-	0%	
Supplies & Services	245	4,322	4,077	94%	14,000	14,000	-	0%	
Transport & Plant Costs	174	1,343	1,169	87%	4,350	4,350	-	0%	
TOTAL EXPENDITURE	308,088	321,680	13,592	4%	1,042,209	1,042,209	-	0%	
Net Total	308,088	321,680	13,592	4%	1,042,209	1,042,209	-	0%	

Notes

1. No change in outturn at this stage until the cost of living pay award is agreed.



Committee Report by Directorate - Subway

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	3,382,248	3,491,765	109,517	3%	11,009,611	11,309,611	300,000	3%	1
Overtime	160,920	179,548	18,628	10%	581,543	581,543	-	0%	
Other Employee Costs	999,845	1,036,289	36,444	4%	3,256,475	3,356,475	100,000	3%	1
Sub Total Employee Costs	4,543,013	4,707,601	164,589	3%	14,847,630	15,247,630	400,000	3%	
Property Costs									
Electricity	978,910	914,105	(64,804)	(7%)	3,160,730	2,960,730	(200,000)	(7%)	2
Property Insurance	116,836	112,691	(4,145)	(4%)	365,000	365,000	-	0%	
Other Property Costs	780,803	723,500	(57,303)	(8%)	2,518,371	2,343,371	(175,000)	(7%)	3
Sub Total Property Costs	1,876,549	1,750,296	(126,252)	(7%)	6,044,101	5,669,101	(375,000)	(7%)	
Supplies & Services	477,645	381,730	(95,915)	(25%)	1,236,400	1,236,400	-	0%	4
Transport & Plant Costs	1,571	2,779	1,208	43%	9,000	9,000	-	0%	
Third Party Payments									
Bus Operator Payments	8,463	7,842	(621)	(8%)	25,400	25,400	-	0%	
Other Third Party Payments	2,058,016	1,961,419	(96,597)	(5%)	6,577,915	6,352,915	(225,000)	(4%)	5
Sub Total Third Party Payments	2,066,479	1,969,261	(97,218)	(5%)	6,603,315	6,378,315	(225,000)	(4%)	
TOTAL EXPENDITURE	8,965,256	8,811,668	(153,588)	(2%)	28,740,446	28,540,446	(200,000)	(1%)	
INCOME									
Subway Income	(5,952,141)	(5,137,068)	815,073	(16%)	(20,421,932)	(18,921,932)	1,500,000	(8%)	6
TOTAL INCOME	(5,952,141)	(5,137,068)	815,073	(16%)	(20,421,932)	(18,921,932)	1,500,000	(8%)	
Net Total	3,013,115	3,674,600	661,485	18%	8,318,514	9,618,514	1,300,000	14%	

Notes

1. Current position due to vacant posts in the establishment. Outturn reflects vacant posts run rate partially offset by adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.
2. Due to increases in unit rates for electricity. Outturn reflects current run rate.
3. Increased costs in relation to security costs associated with the new OCC and non operating areas.
4. Current position due to timing issues in respect of expenditure/budget phasing particularly in relation to rolling stock
5. Current position due to timing issues in respect of expenditure/budget phasing. Outturn adjusted to reflect costs in relation to traffic control officer costs.
6. Income generated from Subway ticket sales is exceeding budget projections in the first 4 periods of the financial year. Based on this current trend a prudent year end projection has been estimated.



Committee Report by Directorate - Bus Operations

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	878,339	871,668	(6,671)	(1%)	2,858,086	2,823,086	(35,000)	(1%)	1
Overtime	6,916	14,820	7,903	53%	48,000	48,000	-	0%	
Other Employee Costs	253,356	254,903	1,548	1%	825,562	825,562	-	0%	1
Sub Total Employee Costs	1,138,612	1,141,391	2,780	0%	3,731,648	3,696,648	(35,000)	(1%)	
Property Costs									
Electricity	50,695	122,526	71,832	59%	321,855	396,855	75,000	19%	2
Repairs and Maintenance	39,662	116,705	77,042	66%	378,000	378,000	-	0%	3
Property Insurance	20,299	6,175	(14,125)	(229%)	20,000	20,000	-	0%	3
Other Property Costs	424,398	435,136	10,738	2%	1,409,379	1,409,379	-	0%	
Sub Total Property Costs	535,054	680,542	145,488	21%	2,129,233	2,204,233	75,000	3%	
Supplies & Services	16,128	13,276	(2,852)	(21%)	43,000	43,000	-	0%	
Transport & Plant Costs	18,165	33,375	15,210	46%	108,100	108,100	-	0%	
Third Party Payments									
Bus Operator Payments	4,418,297	4,574,030	155,733	3%	14,815,000	14,815,000	-	0%	4
Other Third Party Payments	89,100	89,227	127	0%	289,000	289,000	-	0%	
Sub Total Third Party Payments	4,507,397	4,663,257	155,860	3%	15,104,000	15,104,000	-	0%	
TOTAL EXPENDITURE	6,215,356	6,531,841	316,485	5%	21,115,981	21,155,981	40,000	0%	
INCOME									
Bus Operations Income	(789,028)	(678,811)	110,217	(16%)	(2,308,625)	(2,198,625)	110,000	(5%)	5
Agency Fee Income - Councils	(56,938)	(58,661)	(1,723)	3%	(190,000)	(190,000)	-	0%	
TOTAL INCOME	(845,966)	(737,472)	108,495	(15%)	(2,498,625)	(2,388,625)	110,000	(5%)	
Net Total	5,369,390	5,794,369	424,980	7%	18,617,355	18,767,355	150,000	1%	

Notes

1. Outturn reflects current position run rate and includes adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.
2. Outturn reduced based on current run rate at P4. New meters installed at BBS mean that all tenants are billed directly moving forward.
3. Current position due to timing issues in respect of expenditure/budget phasing.
4. Current position due to timing issues in respect of expenditure/budget phasing particularly in relation to community transport costs. In line with the Financial Implications paper at the recent Operations Committee it is likely that this budget will be under pressure given the current issues facing bus operators and the market in general.
5. Departure charge income and other bus station facilities income performing well against budget. It is unclear if this trend will be fully sustainable over the course of the year and therefore outturn reflects additional income achieved to date only at this stage.



Committee Report by Directorate - Projects

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	141,495	159,744	18,249	11%	462,297	517,297	55,000	11%	1
Other Employee Costs	43,243	50,042	6,800	14%	144,533	162,033	17,500	11%	1
Sub Total Employee Costs	184,738	209,786	25,048	12%	606,830	679,330	72,500	11%	
Supplies & Services	(127,967)	(160,279)	(32,312)	20%	(519,135)	(519,135)	-	0%	2
Transport & Plant Costs	400	1,544	1,144	74%	5,000	5,000	-	0%	
TOTAL EXPENDITURE	57,170	51,050	(6,120)	(12%)	92,695	165,195	72,500	44%	
Net Total	57,170	51,050	(6,120)	(12%)	92,695	165,195	72,500	44%	

Notes

1. Current position due to vacant posts in the establishment. Outturn reflects vacant posts run rate partially offset by adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.
2. Current position due to timing issues in respect of expenditure/budget phasing. The actual level of capitalisation is less than budgeted at P4 due to vacant posts in the establishment. However this may be recovered in the remainder of the financial year.



Committee Report by Directorate - Health and Safety

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	41,311	45,915	4,604	10%	148,716	148,716	-	0%	1
Other Employee Costs	12,446	14,035	1,588	11%	45,457	45,457	-	0%	1
Sub Total Employee Costs	53,757	59,950	6,192	10%	194,173	194,173	-	0%	
Supplies & Services	-	185	185	100%	600	600	-	0%	
Transport & Plant Costs	-	62	62	100%	200	200	-	0%	
TOTAL EXPENDITURE	53,757	60,197	6,439	11%	194,973	194,973	-	0%	
Net Total	53,757	60,197	6,439	11%	194,973	194,973	-	0%	

Notes

1. No change in outturn at this stage until the cost of living pay award is agreed.



Committee Report by Directorate - Customer Standards

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	132,997	146,641	13,644	9%	444,962	474,962	30,000	6%	1
Overtime	5,446	3,087	(2,359)	(76%)	10,000	10,000	-	0%	
Other Employee Costs	40,212	45,723	5,511	12%	138,093	148,093	10,000	7%	1
Sub Total Employee Costs	178,655	195,451	16,797	9%	593,055	633,055	40,000	6%	
Supplies & Services	4,486	14,820	10,334	70%	48,000	48,000	-	0%	2
Transport & Plant Costs	33	309	275	89%	1,000	1,000	-	0%	
TOTAL EXPENDITURE	183,174	210,580	27,406	13%	642,055	682,055	40,000	6%	
Net Total	183,174	210,580	27,406	13%	642,055	682,055	40,000	6%	

Notes

1. Outturn reflects current position run rate and includes adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.
2. Current position due to timing issues in respect of expenditure/budget phasing.



Committee Report by Directorate - Finance

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	322,616	332,633	10,017	3%	1,050,071	1,077,571	27,500	3%	1
Other Employee Costs	94,953	97,664	2,711	3%	308,882	316,382	7,500	2%	1
Sub Total Employee Costs	417,569	430,297	12,728	3%	1,358,954	1,393,954	35,000	3%	
Supplies & Services	2,639	1,389	(1,250)	(90%)	4,500	4,500	-	0%	
Transport & Plant Costs	181	62	(120)	(194%)	200	200	-	0%	
Third Party Payments									
Other Third Party Payments	8	1,544	1,536	99%	5,000	5,000	-	0%	
Sub Total Third Party Payments	8	1,544	1,536	99%	5,000	5,000	-	0%	
TOTAL EXPENDITURE	420,397	433,292	12,894	3%	1,368,653	1,403,653	35,000	2%	
Net Total	420,397	433,292	12,894	3%	1,368,653	1,403,653	35,000	2%	

Notes

1. Current position due to vacant posts in the establishment. Outturn reflects vacant posts run rate partially offset by adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.



Committee Report by Directorate - Digital

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	293,911	323,131	29,220	9%	971,498	1,046,498	75,000	7%	1
Overtime	-	1,544	1,544	100%	5,000	5,000	-	0%	
Other Employee Costs	85,949	95,590	9,641	10%	284,558	309,558	25,000	8%	1
Sub Total Employee Costs	379,860	420,264	40,404	10%	1,261,056	1,361,056	100,000	7%	
Supplies & Services	27	926	899	97%	3,000	3,000	-	0%	
Transport & Plant Costs	-	617	617	100%	2,000	2,000	-	0%	
TOTAL EXPENDITURE	379,887	421,808	41,920	10%	1,266,056	1,366,056	100,000	7%	
Net Total	379,887	421,808	41,920	10%	1,266,056	1,366,056	100,000	7%	

Notes

1. Current position due to vacant posts in the establishment. Outturn reflects vacant posts run rate partially offset by adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.



Committee Report by Directorate - Human Resources

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	74,550	83,445	8,895	11%	255,272	270,272	15,000	6%	1
Other Employee Costs	22,807	24,286	1,478	6%	74,659	78,659	4,000	5%	1
Sub Total Employee Costs	97,357	107,730	10,374	10%	329,932	348,932	19,000	5%	
Supplies & Services	2,961	2,161	(800)	(37%)	7,000	7,000	-	0%	
TOTAL EXPENDITURE	100,318	109,892	9,574	9%	336,932	355,932	19,000	5%	
Net Total	100,318	109,892	9,574	9%	336,932	355,932	19,000	5%	

Notes

1. Current position due to vacant posts in the establishment. Outturn reflects vacant posts run rate partially offset by adjustment for current COSLA pay award offer of 5% in April 2023 with a further estimated average of 2% in January 2024.



Committee Report by Directorate - Elected Members

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget			
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %
EXPENDITURE								
Supplies & Services	18,551	18,997	446	2%	61,531	61,531	-	0%
Transport & Plant Costs	820	617	(203)	(33%)	2,000	2,000	-	0%
TOTAL EXPENDITURE	19,371	19,615	244	1%	63,531	63,531	-	0%
Net Total	19,371	19,615	244	1%	63,531	63,531	-	0%



Committee Report by Directorate - Contact Centre

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	136,952	134,580	(2,373)	(2%)	435,896	435,896	-	0%	1
Overtime	1,317	772	(546)	(71%)	2,500	2,500	-	0%	
Other Employee Costs	37,602	35,926	(1,676)	(5%)	116,363	116,363	-	0%	1
Sub Total Employee Costs	175,872	171,278	(4,595)	(3%)	554,758	554,758	-	0%	
Supplies & Services	18,634	20,408	1,774	9%	66,100	66,100	-	0%	
Transport & Plant Costs	-	154	154	100%	500	500	-	0%	
Third Party Payments									
Other Third Party Payments	10,156	14,511	4,355	30%	47,000	47,000	-	0%	
Sub Total Third Party Payments	10,156	14,511	4,355	30%	47,000	47,000	-	0%	
TOTAL EXPENDITURE	204,662	206,351	1,689	1%	668,358	668,358	-	0%	
INCOME									
Agency Fee Income - Councils	(114,632)	(120,172)	(5,540)	5%	(389,229)	(389,229)	-	0%	
Other Income	-	(3,087)	(3,087)	100%	(10,000)	(10,000)	-	0%	
TOTAL INCOME	(114,632)	(123,259)	(8,627)	7%	(399,229)	(399,229)	-	0%	
Net Total	90,030	83,092	(6,938)	(8%)	269,129	269,129	-	0%	

Notes

1. No change in outturn at this stage until the cost of living pay award is agreed.



Committee Report by Directorate - Corporate

For Year 23/24 Period 4 ending 22-Jul-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	19,571	-	(19,571)		60,000	-	(60,000)		1
Other Employee Costs	190,651	209,019	18,368	9%	677,000	677,000	-	0%	2
Sub Total Employee Costs	210,222	209,019	(1,203)	(1%)	737,000	677,000	(60,000)	(9%)	
Property Costs									
Electricity	30,718	42,586	11,867	28%	137,933	137,933	-	0%	
Repairs and Maintenance	8,621	7,719	(903)	(12%)	25,000	25,000	-	0%	
Property Insurance	12,180	3,705	(8,475)	(229%)	12,000	12,000	-	0%	2
Other Property Costs	157,439	116,154	(41,285)	(36%)	416,215	376,215	(40,000)	(11%)	3
Sub Total Property Costs	208,958	170,163	(38,795)	(23%)	591,148	551,148	(40,000)	(7%)	
Supplies & Services	111,363	153,731	42,368	28%	497,924	497,924	-	0%	2
Transport & Plant Costs	50	-	(50)		-	-	-		
Third Party Payments									
Communications	119,707	109,604	(10,103)	(9%)	355,000	355,000	-	0%	
Other Third Party Payments	509,769	824,373	314,603	38%	2,445,092	2,670,092	225,000	8%	2
Sub Total Third Party Payments	629,476	933,976	304,500	33%	2,800,092	3,025,092	225,000	7%	
Financing Costs									
Contribution to Capital Funded from Revenue	1,279,132	1,279,132	-	0%	4,143,030	4,143,030	-	0%	
Sub Total Financing Costs	1,279,132	1,279,132	-	0%	4,143,030	4,143,030	-	0%	
TOTAL EXPENDITURE	2,439,201	2,746,022	306,820	11%	8,769,194	8,894,194	125,000	1%	
INCOME									
Agency Fee Income - Councils	(323,209)	(318,623)	4,586	(1%)	(1,032,000)	(1,032,000)	-	0%	
Interest Received	(2,314,169)	(1,574,590)	739,579	(47%)	(6,600,000)	(5,100,000)	1,500,000	(29%)	4
Other Income	(126,796)	(125,658)	1,137	(1%)	(407,000)	(407,000)	-	0%	
TOTAL INCOME	(2,764,174)	(2,018,872)	745,302	(37%)	(8,039,000)	(6,539,000)	1,500,000	(23%)	
Net Total	(324,973)	727,150	1,052,123	145%	730,194	2,355,194	1,625,000	69%	

Notes

1. Costs associated with displaced staff.
2. Based on expenditure at P4, savings have been projected across corporate costs including consultancy and legal fees.
3. Includes costs in relation to property rates for vacant rental properties.
4. Increased income anticipated due to current rates and cash balances.