

APPENDIX 2

Directorates Variances Summary

Variances and movements greater than £50,000				
Directorate	Period 3 Variance £	Period 4 Variance £	Movement	Main Variances Explanation
<u>Finance & Resources</u>				
Assets and Property	(210,041)	86,456	296,496	The adverse movement and variance mainly relate to a reduction in income from a tenant entering administration as well as unbudgeted higher Business Rates. The latter will be amended for next year.
Commercial Services	876,823	690,433	(186,390)	Within Off-Street parking there is a forecasted reduction in parking income. This is being reviewed to ascertain the best way to mitigate the issue. The favourable movement from Period 3 relates to recent agreement between GBC and Surrey County Council of the basis of recharge by GBC for operating the Park and Ride service on behalf of SCC.
Finance	169,609	324,056	154,448	The majority of this adverse variance is related to increased senior officer shared staff costs with WBC. The adverse movement is following an analysis of agency spend and predictions on recruitment within the Procurement team for the year.
	836,391	1,100,945	264,554	
<u>Economy, Planning and Place</u>				
Communication & Customer Services	(17,693)	(17,693)	0	
Planning	(99,713)	(111,722)	(12,009)	The favourable position for period 3 relates to staffing vacancies within Development Management and Planning Policy. Both services are in the process of recruiting to these roles.
Regeneration & Economic Development	(85,000)	(85,000)	0	There is a favourable variance due to the absence of a dedicated team at present. However, expenditure is forecast during the financial year to support initiatives such as the town-centre public art programme. In addition, an allowance was included in the 2025/26 budget to cover costs associated with two developments. There is an underspend associated with these project and will be used to cover certain project costs that cannot be capitalised.
Regulatory Services	(121,014)	(102,706)	18,308	Underspend mainly relate to staffing vacancies.
	(323,420)	(317,121)	6,299	
<u>Housing, Communities & Environment</u>				
Community Services	27,105	23,444	(3,661)	
Environmental Services	56,778	(370,875)	(427,653)	The favourable movement is mainly attributed to the contribution to the SEP (Surrey Environment Partnership). The projection is based on the previous year's actuals and includes a contingency for anticipated additional fees, resulting in expected savings.
Housing Services	41,033	43,417	2,384	
	124,916	(304,014)	(428,929)	
	(85,435)	39,504	124,939	Following a review of the joint working arrangements with WBC and the revised expected cost to GBC, the forecast has been updated to reflect this new information.
<u>Democracy, Law & People</u>				
	(7,694)	(163,361)	(155,667)	The consultancy budget is not expected to be used in full this year resulting in a saving of £71k. In addition, there is a favourable variance movement of 84.6k due to the estimated start dates for various roles.
<u>Strategy & Corporate Services</u>				
Directorates Total	544,757	355,953	(188,804)	
<u>Housing Revenue Account</u>	1,030,492	1,990,127	959,635	The adverse variance and movement is mainly due to agency costs being forecasted to contract end date following a review of all staffing costs. In addition, the asset maintenance costs budget has been based on previous year spend. For 2025-26, the repairs forecast is based on the current run rate at 965k A . This adverse variance will increase as additional costs are charged. Work is ongoing to assess the overall yearly impact of these increases.