



Revenue Monitoring Report as at Period 10, ending 7 January 2023 and updated Financial Forecast for Financial Year 2022/2023

Committee Strategy & Programmes

Date of meeting 17 February 2023

Date of report 30 January 2023

Report by Director of Finance & Corporate Support

1. Object of report

To advise members of the net revenue position as at the end of Period 10, 7 January 2023 and to provide an updated financial forecast for the current financial year, stating the assumptions made regarding income and expenditure levels.

2. Background

The Partnership approved a balanced budget at its meeting of 18 March 2022. This balanced budget provided for a net revenue budget of £36.281m, funded by local authority requisitions (£35.632m) and Transport Scotland revenue support grant (£0.650m) https://www.spt.co.uk/media/vpqlhxyv/p180322_agenda7.pdf.

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 to ensure the provision of an achievable balanced budget for 2022/2023. This was based on the best information available on customer behaviours, patronage recovery, support to public transport and inflationary cost pressures. Importantly this included a 'pause' to the planned contribution to the Subway Fund in support of long term subway modernisation implementation and transformation plans.

In the last year, new financial pressures have come to the forefront, including the rapid increase in inflation, significant increases in gas and electricity prices and potential cuts in public services and funding, all of which could potentially have material impacts on internal and external costs in the current and future financial years.

3. Current Position

Since the beginning of the financial year there has been very positive recovery in terms of Subway patronage with passenger numbers increasing gradually during the course of the financial year, with the current average around 90% of pre-Covid levels. This is encouraging given we are currently within the winter months which in recent years we have seen a significant decrease in patronage numbers as a result of the pandemic and restrictions put in place. 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.

Although this is a very strong recovery compared to other public transport modes, and highlights the importance of the Subway to the travelling public in the SPT area, the reduction in patronage and income still presents a challenging financial gap to be addressed beyond 2022/2023. It is hoped that public behaviours and public transport usage recovers further as people adapt to changed circumstances in terms of routines, both work and leisure related.

At this stage in 2022/2023, 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 last 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. This is addressed in more detail in the *Revenue Budget for 2023/24 - Update* paper which is included at this Committee. Detailed departmental revenue monitoring reports can be found in Appendix 1.

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

- The pay award which was approved and paid to employees pre-Christmas resulted in increased employees costs. A 3% pay award was budgeted for in the 2022/2023 budget however the actual pay award resulted in at least a 5% increase to employee's salaries. However, at this stage, savings as a result of vacant posts in the establishment have assisted in offsetting the additional costs of the pay award and a positive variance of £0.505m is currently forecast.
- The impact of high inflation and the anticipated unit price increases in utilities will have a negative impact on SPT budgets. SPT is 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 are anticipated from 2023/24 onwards and this is reflected in the draft 2023/2024 revenue budget which will be tabled at this Committee. At this stage, the projection for property related costs shows a small positive variance in relation to repairs and maintenance of £0.075m which reflects efficient use of internal facilities resources and prior improvement works at bus stations.
- Reduced expenditure in rolling stock supplies and services, general supplies and training costs is reflected in the positive variance of £0.219m shown under supplies and services. It is anticipated that direct expenditure in rolling stock supplies, stocks and third party repairs will reduce moving forward as the transition between the old to the new fleet begins with support and costs switching to the TSSSA contract. The phased decommissioning of the old fleet will ensure additional parts and components will be available to support the remaining fleet that will be in operation.
- An underspend on bus operator payments of £0.259m was reported in the financial implications report and subsequent papers which were tabled at the recent Operations Committee on 27 January 2023. 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. Indeed, First's recent decision not to operate a significant number of SPT supported services will result in increased costs in the current and future financial years. There are significant challenges to SPT in terms of increased costs for renewals which is at least in part due to, the impact of driver shortages that operators are experiencing which is impacting on service delivery, the planned removal of Covid support for bus operators in March 2023 and other inflationary pressures on operators including increased fuel prices. Given this, the projection for the financial year remains in line with the approved budget at this stage.

- The projected positive variance of £2.005m shown under other third party payments relates to savings anticipated in maintenance contracts and consultancy costs. The budget also included provision for potential additional costs to SPT due to increased inflation, fuel prices and potential changes in the bus market. However, because of savings and increased income projected in other parts of the 2022/23 budget the full provision is unlikely to be required in the current financial year.
- Subway income in the year to date has seen better than planned recovery relative to the baseline of 2021/2022, 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. Passenger numbers and income has exceeded budget expectations in recent months and this has continued in the most part during the winter period so far. At this stage, based on an over recovery of income of £3.852m, as at P10 a positive variance in Subway income of £4.250m has been projected for 2022/2023. 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.
- Bus station income is performing well in relation to budget. Additional income has been achieved up to P10 due to increased income from departure charges, parking fees, left luggage and toilet facilities income. The positive variance of £0.250m 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.
- Interest received is forecast to exceed budget by £2.2m in 2022/2023. This is a result of increased interest rates, due to knock on effect of recent increases to UK base rates, which are expected to rise further during the course of the year. 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 peak in 2024 and then reduce down.

The overall position is a forecast year end underspend of £9.649m. 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.

It is important to note that when setting the budget for 2022/2023 taking cognisance of the reduced income forecast (compared to pre-pandemic budgets) and no support for the Scottish Government via Covid Support Grant, SPT required to significantly reduce budgets including the contribution to the Subway Fund which was reduced to zero in 2022/2023. In light of this, and given the forecast underspend position, it is proposed to reinstate the planned 2022/23 contribution to the Subway Fund of £5.070m.

Given the scale of the current underspend a review of the current reserves position was undertaken to assess the most appropriate placement of the remaining 2022/2023 balance unallocated. While this underspend is an extremely positive and welcome position, it is not sustainable in the long term due to rising employees costs, significant utilities cost increases, contract inflation pressure, increase supported services contract costs and interest rates reducing in 2024. In line with the Draft Revenue Budget 2023/2024 paper

being tabled at this Committee and the reclassification of the Guideline Criteria Reserve it is proposed that a contribution of £2m from the current 2022/23 underspend position be transferred to the 'Transport Future Investment Fund'.

It is further proposed that the remaining underspend will be transferred to the Subway Infrastructure Fund. If the current outturn position crystallises at year end this will be in the region of £2.5m. If further savings are generated in the year end position then the contribution will increase in line with this. The capital funding level of c. £15m per annum is not and will not be sufficient to support wider public transport developments as well as funding the ongoing investment in Victorian tunnel infrastructure. Subway Infrastructure which includes the maintenance of tunnels and track requires ongoing support so an increase to this fund will provide financial resilience to cover the costs of future infrastructure activities.

4. Committee action

The Committee is requested to consider this report and to:

- (i) note the forecast outturn at this stage;
- (ii) note new financial pressures have come to the forefront in the current financial year including increased inflation, rising utilities costs and increased supported service contract costs, which will impact on internal and external costs in future financial years; and
- (iii) approve the transfer of the final year end underspend to the Subway Fund, Transport Future Investment Fund and the Subway Infrastructure Fund to provide financial resilience to SPT for future financial years and support key transport developments in the future.

5. 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>None directly.</i>

Name Neil Wylie
Title **Director of Finance & Corporate Support**

Name Valerie Davidson
Title **Chief Executive**

For further information, please contact Stuart Paul, Chief Accountant, on 0141 333 3382.



Committee Report by Division

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget			
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %
Chief Executive								
Policy & Strategy	353,010	400,397	47,387	12%	463,299	518,299	55,000	11%
Chief Executive Unit	615,457	606,394	(9,063)	(1%)	799,934	784,934	(15,000)	(2%)
Total Chief Executive	968,467	1,006,791	38,324	4%	1,263,234	1,303,234	40,000	3%
Operations								
Subway	3,172,412	7,937,745	4,765,334	60%	5,651,210	10,506,210	4,855,000	46%
Bus Operations	12,330,185	12,949,652	619,466	5%	16,564,102	16,819,102	255,000	2%
Projects	303,368	271,604	(31,764)	(12%)	364,074	349,074	(15,000)	(4%)
Health and Safety	109,197	137,398	28,202	21%	142,842	177,842	35,000	20%
Customer Standards	444,552	448,337	3,785	1%	590,521	580,521	(10,000)	(2%)
Total Operations	16,359,714	21,744,736	5,385,022	25%	23,312,748	28,432,748	5,120,000	18%
Business Support								
Finance	943,074	1,005,427	62,353	6%	1,213,990	1,301,490	87,500	7%
Digital	807,430	940,593	133,163	14%	1,073,470	1,217,470	144,000	12%
Human Resources	229,490	213,914	(15,577)	(7%)	301,905	276,905	(25,000)	(9%)
Elected Members	40,184	42,802	2,619	6%	55,643	55,643	0	0%
Contact Centre	224,368	184,845	(39,524)	(21%)	265,747	238,247	(27,500)	(12%)
Corporate	(821,831)	2,658,873	3,480,704	131%	(854,631)	3,455,369	4,310,000	125%
Total Business Support	1,422,716	5,046,454	3,623,739	72%	2,056,124	6,545,124	4,489,000	69%
Contribution to Subway Fund	0	0	0		5,070,000	0	(5,070,000)	
Contribution to Transport Future Investment Fund	0	0	0		2,000,000	0	(2,000,000)	
Contribution to Subway Infrastructure Fund	0	0	0		2,500,000	0	(2,500,000)	
Net Total	18,750,897	27,797,982	9,047,085	33%	36,202,106	36,281,106	79,000	0%



Revenue Monitoring Report

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	13,193,542	13,529,077	335,536	2%	17,066,040	17,511,040	445,000	3%	1
Overtime	542,571	475,181	(67,389)	(14%)	690,040	615,040	(75,000)	(12%)	2
Other Employee Costs	4,432,318	4,559,933	127,615	3%	5,769,660	5,904,660	135,000	2%	1
Sub Total Employee Costs	18,168,431	18,564,192	395,761	2%	23,525,739	24,030,739	505,000	2%	
Property Costs									
Electricity	1,600,872	1,691,107	90,235	5%	2,198,439	2,198,439	0	0%	3
Repairs and Maintenance	173,598	333,077	159,479	48%	358,000	433,000	75,000	17%	4
Property Insurance	301,716	293,077	(8,639)	(3%)	381,000	381,000	0	0%	
Other Property Costs	2,863,053	2,856,807	(6,246)	(0%)	3,713,849	3,713,849	0	0%	
Sub Total Property Costs	4,939,239	5,174,068	234,829	5%	6,651,288	6,726,288	75,000	1%	
Supplies & Services	1,032,260	1,601,853	569,592	36%	1,863,408	2,082,408	219,000	11%	5
Transport & Plant Costs	81,322	105,038	23,716	23%	131,550	136,550	5,000	4%	
Third Party Payments									
Bus Operator Payments	10,116,787	10,278,259	161,472	2%	13,361,737	13,361,737	0	0%	6
Communications	263,991	283,846	19,855	7%	369,000	369,000	0	0%	
Other Third Party Payments	5,163,359	7,301,824	2,138,464	29%	7,387,371	9,492,371	2,105,000	22%	7
Sub Total Third Party Payments	15,544,138	17,863,929	2,319,791	13%	21,118,108	23,223,108	2,105,000	9%	
Financing Costs									
Contribution to Subway Fund	0	0	0		5,070,000	0	(5,070,000)		8
Contribution to Transport Future Investment Fund	0	0	0		2,000,000	0	(2,000,000)		9
Contribution to Subway Infrastructure Fund	0	0	0		2,500,000	0	(2,500,000)		9
Sub Total Financing Costs	0	0	0		9,570,000	0	(9,570,000)		
TOTAL EXPENDITURE	39,765,390	43,309,079	3,543,690	8%	62,860,093	56,199,093	(6,661,000)	(12%)	
INCOME									
Subway Income	(15,233,198)	(11,380,769)	3,852,429	(34%)	(18,798,560)	(14,548,560)	4,250,000	(29%)	10
Bus Operations Income	(1,971,404)	(1,683,908)	287,496	(17%)	(2,439,081)	(2,189,081)	250,000	(11%)	11
Agency Fee Income - Councils	(1,170,814)	(1,144,882)	25,932	(2%)	(1,528,347)	(1,488,347)	40,000	(3%)	
Interest Received	(2,306,116)	(1,000,000)	1,306,116	(131%)	(3,500,000)	(1,300,000)	2,200,000	(169%)	12
Other Income	(332,960)	(301,539)	31,422	(10%)	(392,000)	(392,000)	0	0%	
TOTAL INCOME	(21,014,493)	(15,511,098)	5,503,395	(35%)	(26,657,987)	(19,917,987)	6,740,000	(34%)	
Net Total	18,750,897	27,797,982	9,047,085	33%	36,202,106	36,281,106	79,000	0%	

Notes

1. Due to vacant posts in the establishment. Outturn adjusted for savings generated in the first 10 periods offset by the impact of the recent pay award applied.
2. Increased overtime due to additional short term resources required to support Bus Operations and Subway Operation activities.
3. Current position due to timing issues in respect of expenditure/budget phasing.
4. Outturn adjusted for projected savings in repairs and maintenance costs at bus stations.
5. Outturn adjusted for projected savings in rolling stock, infrastructure, training costs and general supplies and services.
6. 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.
7. Outturn adjusted for projected savings in maintenance contracts and consultancy fees. Also Budget includes provision for potential additional costs to SPT due to increased inflation, fuel prices and potential changes in the bus market. However full provision unlikely to be required.
8. The original planned contribution to the Subway Fund in 2022/23 can now be reinstated due to the current projected underspend.
9. Projected transfer to the Transport Future Investment Fund and Subway Infrastructure Fund for the financial year 2022/23.
10. Income generated from Subway ticket sales is exceeding budget projections in the first 10 periods of the financial year. It is unclear if this trend will be fully sustainable during the winter months and therefore the outturn has not been projected fully until year end.
11. Departure charge income and other bus station facilities income performing well against budget. It is unclear if this trend will be fully sustainable during the winter period and therefore outturn change reflects additional income achieved to date only at this stage.
12. Increased income anticipated due to current rates and cash balances.



Committee Report by Directorate - Policy & Strategy

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	265,680	297,296	31,616	11%	344,798	384,798	40,000	10%	1
Other Employee Costs	83,209	93,486	10,276	11%	106,001	121,001	15,000	12%	1
Sub Total Employee Costs	348,890	390,782	41,892	11%	450,799	505,799	55,000	11%	
Supplies & Services	321	769	448	58%	1,000	1,000	0	0%	
Transport & Plant Costs	44	1,154	1,110	96%	1,500	1,500	0	0%	
Third Party Payments									
Communications	3,756	7,692	3,937	51%	10,000	10,000	0	0%	
Sub Total Third Party Payments	3,756	7,692	3,937	51%	10,000	10,000	0	0%	
TOTAL EXPENDITURE	353,010	400,397	47,387	12%	463,299	518,299	55,000	11%	
Net Total	353,010	400,397	47,387	12%	463,299	518,299	55,000	11%	

Notes

1. Due to vacant posts in the establishment which have been recently filled. Outturn adjusted for savings generated in the first 10 periods offset by the impact of the pay award.



Committee Report by Directorate - Chief Executive Unit

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	464,147	450,303	(13,844)	(3%)	600,339	582,839	(17,500)	(3%)	1
Other Employee Costs	146,660	147,360	700	0%	190,746	190,746	0	0%	
Sub Total Employee Costs	610,807	597,663	(13,144)	(2%)	791,084	773,584	(17,500)	(2%)	
Supplies & Services	4,068	5,385	1,317	24%	7,000	7,000	0	0%	
Transport & Plant Costs	582	3,346	2,764	83%	1,850	4,350	2,500	57%	
TOTAL EXPENDITURE	615,457	606,394	(9,063)	(1%)	799,934	784,934	(15,000)	(2%)	
Net Total	615,457	606,394	(9,063)	(1%)	799,934	784,934	(15,000)	(2%)	2

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied and includes projection until year end.
2. Chief Executive's Unit contains the Cabinet, Business Support and Legal sections.



Committee Report by Directorate - Subway

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	7,668,051	7,660,349	(7,702)	(0%)	9,914,991	9,914,991	0	0%	1
Overtime	469,936	436,551	(33,385)	(8%)	600,040	565,040	(35,000)	(6%)	2
Other Employee Costs	2,327,036	2,354,529	27,492	1%	3,007,528	3,047,528	40,000	1%	1
Sub Total Employee Costs	10,465,023	10,451,429	(13,594)	(0%)	13,522,559	13,527,559	5,000	0%	
Property Costs									
Electricity	1,408,251	1,432,381	24,130	2%	1,862,095	1,862,095	0	0%	3
Property Insurance	297,552	269,231	(28,321)	(11%)	350,000	350,000	0	0%	3
Other Property Costs	1,603,260	1,644,108	40,847	2%	2,087,340	2,137,340	50,000	2%	4
Sub Total Property Costs	3,309,063	3,345,719	36,656	1%	4,299,435	4,349,435	50,000	1%	
Supplies & Services	1,040,125	1,469,616	429,491	29%	1,660,501	1,910,501	250,000	13%	5
Transport & Plant Costs	3,569	13,077	9,508	73%	17,000	17,000	0	0%	
Third Party Payments									
Bus Operator Payments	20,290	19,539	(751)	(4%)	25,400	25,400	0	0%	
Other Third Party Payments	3,567,540	4,019,135	451,595	11%	4,924,875	5,224,875	300,000	6%	6
Sub Total Third Party Payments	3,587,830	4,038,673	450,843	11%	4,950,275	5,250,275	300,000	6%	
TOTAL EXPENDITURE	18,405,610	19,318,514	912,904	5%	24,449,769	25,054,769	605,000	2%	
INCOME									
Subway Income	(15,233,198)	(11,380,769)	3,852,429	(34%)	(18,798,560)	(14,548,560)	4,250,000	(29%)	7
TOTAL INCOME	(15,233,198)	(11,380,769)	3,852,429	(34%)	(18,798,560)	(14,548,560)	4,250,000	(29%)	
Net Total	3,172,412	7,937,745	4,765,334	60%	5,651,210	10,506,210	4,855,000	46%	

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied offset by savings in relation to vacant posts.
2. Additional overtime required to support Subway Operations duties and shifts.
3. Current position due to timing issues in respect of expenditure/budget phasing.
4. Outturn adjusted for projected savings in security and repairs and maintenance.
5. Outturn adjusted for projected savings in rolling stock and infrastructure supplies and services.
6. Outturn adjusted for projected savings in maintenance contracts and consultancy fees.
7. Income generated from Subway ticket sales is exceeding budget projections in the first 10 periods of the financial year. It is unclear if this trend will be fully sustainable during the winter months and therefore the outturn has not been projected fully until year end.



Committee Report by Directorate - Bus Operations

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	2,086,286	2,071,451	(14,835)	(1%)	2,701,134	2,681,134	(20,000)	(1%)	1
Overtime	64,839	26,655	(38,184)	(143%)	74,500	34,500	(40,000)	(116%)	2
Other Employee Costs	624,780	624,146	(634)	(0%)	817,849	807,849	(10,000)	(1%)	1
Sub Total Employee Costs	2,775,905	2,722,252	(53,653)	(2%)	3,593,483	3,523,483	(70,000)	(2%)	
Property Costs									
Electricity	151,451	191,996	40,545	21%	249,594	249,594	0	0%	3
Repairs and Maintenance	156,793	313,846	157,054	50%	333,000	408,000	75,000	18%	4
Property Insurance	2,142	14,615	12,474	85%	19,000	19,000	0	0%	
Other Property Costs	961,019	963,591	2,573	0%	1,252,669	1,252,669	0	0%	
Sub Total Property Costs	1,271,404	1,484,049	212,644	14%	1,854,263	1,929,263	75,000	4%	
Supplies & Services	14,416	36,923	22,507	61%	48,000	48,000	0	0%	3
Transport & Plant Costs	74,302	75,461	1,160	2%	98,100	98,100	0	0%	
Third Party Payments									
Bus Operator Payments	10,096,497	10,258,721	162,223	2%	13,336,337	13,336,337	0	0%	5
Communications	-	3,077	3,077	100%	4,000	4,000	0	0%	
Other Third Party Payments	201,839	195,385	(6,455)	(3%)	254,000	254,000	0	0%	3
Sub Total Third Party Payments	10,298,337	10,457,182	158,846	2%	13,594,337	13,594,337	0	0%	
TOTAL EXPENDITURE	14,434,363	14,775,867	341,504	2%	19,188,182	19,193,182	5,000	0%	
INCOME									
Bus Operations Income	(1,971,404)	(1,683,908)	287,496	(17%)	(2,439,081)	(2,189,081)	250,000	(11%)	6
Agency Fee Income - Councils	(132,774)	(142,308)	(9,534)	7%	(185,000)	(185,000)	0	0%	
TOTAL INCOME	(2,104,178)	(1,826,216)	277,962	(15%)	(2,624,081)	(2,374,081)	250,000	(11%)	
Net Total	12,330,185	12,949,652	619,466	5%	16,564,102	16,819,102	255,000	2%	

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied offset by savings in relation to vacant posts.
2. Increased overtime due to additional short term resources required to support Bus Operations activities.
3. Current position due to timing issues in respect of expenditure/budget phasing.
4. Outturn adjusted for projected savings in repairs and maintenance costs at bus stations.
5. 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. Departure charge income and other bus station facilities income performing well against budget. It is unclear if this trend will be fully sustainable during the winter period and therefore outturn reflects additional income achieved to date only at this stage.



Committee Report by Directorate - Projects

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Note
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	517,951	534,442	16,491	3%	661,742	691,742	30,000	4%	1
Other Employee Costs	151,932	172,497	20,565	12%	193,267	223,267	30,000	13%	1
Sub Total Employee Costs	669,882	706,939	37,056	5%	855,009	915,009	60,000	7%	
Supplies & Services	(368,132)	(439,181)	(71,049)	16%	(495,935)	(570,935)	(75,000)	13%	2
Transport & Plant Costs	1,618	3,846	2,228	58%	5,000	5,000	0	0%	
TOTAL EXPENDITURE	303,368	271,604	(31,764)	(12%)	364,074	349,074	(15,000)	(4%)	
Net Total	303,368	271,604	(31,764)	(12%)	364,074	349,074	(15,000)	(4%)	

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied and includes projection until year end in relation to vacant posts.
2. It is anticipated actual level of capitalisation from the Projects team will be less than budgeted based on planned work on capital projects and staffing levels.



Committee Report by Directorate - Health and Safety

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Note
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	83,589	104,106	20,517	20%	109,748	134,748	25,000	19%	1
Other Employee Costs	25,608	32,677	7,069	22%	32,295	42,295	10,000	24%	1
Sub Total Employee Costs	109,197	136,783	27,586	20%	142,042	177,042	35,000	20%	
Supplies & Services	-	462	462	100%	600	600	0	0%	
Transport & Plant Costs	-	154	154	100%	200	200	0	0%	
TOTAL EXPENDITURE	109,197	137,398	28,202	21%	142,842	177,842	35,000	20%	
Net Total	109,197	137,398	28,202	21%	142,842	177,842	35,000	20%	

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied and includes projection until year end in relation to vacant posts.



Committee Report by Directorate - Customer Standards

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Note
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	314,429	305,910	(8,519)	(3%)	403,447	395,947	(7,500)	(2%)	1
Overtime	5,358	7,726	2,368	31%	10,000	10,000	-	0%	
Other Employee Costs	95,912	94,701	(1,212)	(1%)	125,073	122,573	(2,500)	(2%)	1
Sub Total Employee Costs	415,699	408,337	(7,363)	(2%)	538,521	528,521	(10,000)	(2%)	
Supplies & Services	28,853	39,231	10,378	26%	51,000	51,000	0	0%	2
Transport & Plant Costs	-	769	769	100%	1,000	1,000	0	0%	
TOTAL EXPENDITURE	444,552	448,337	3,785	1%	590,521	580,521	(10,000)	(2%)	
Net Total	444,552	448,337	3,785	1%	590,521	580,521	(10,000)	(2%)	

Notes

1. Incorporates the impact of the recent pay award.
2. Current position due to timing issues in respect of expenditure/budget phasing.



Committee Report by Directorate - Finance

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	709,307	749,506	40,200	5%	910,106	970,106	60,000	6%	1
Other Employee Costs	213,342	231,383	18,040	8%	274,485	299,485	25,000	8%	1
Sub Total Employee Costs	922,649	980,889	58,240	6%	1,184,590	1,269,590	85,000	7%	
Supplies & Services	14,491	8,846	(5,645)	(64%)	19,000	11,500	(7,500)	(65%)	2
Transport & Plant Costs	108	308	200	65%	400	400	0	0%	
Third Party Payments									
Other Third Party Payments	5,827	15,385	9,558	62%	10,000	20,000	10,000	50%	3
Sub Total Third Party Payments	5,827	15,385	9,558	62%	10,000	20,000	10,000	50%	
TOTAL EXPENDITURE	943,074	1,005,427	62,353	6%	1,213,990	1,301,490	87,500	7%	
Net Total	943,074	1,005,427	62,353	6%	1,213,990	1,301,490	87,500	7%	

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied and includes projection until year end in relation to vacant posts.
2. Costs in relation to ITSO fees for zonocard.
3. Due to reduced costs in relation to Zonocard support costs.



Committee Report by Directorate - Digital

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	623,024	710,633	87,609	12%	819,791	919,791	100,000	11%	1
Overtime	211	2,318	2,107	91%	3,000	3,000	0	0%	
Other Employee Costs	183,663	221,489	37,826	17%	246,679	286,679	40,000	14%	1
Sub Total Employee Costs	806,898	934,439	127,541	14%	1,069,469	1,209,469	140,000	12%	
Supplies & Services	396	2,308	1,912	83%	1,500	3,000	1,500	50%	2
Transport & Plant Costs	136	3,846	3,710	96%	2,500	5,000	2,500	50%	2
TOTAL EXPENDITURE	807,430	940,593	133,163	14%	1,073,470	1,217,470	144,000	12%	
Net Total	807,430	940,593	133,163	14%	1,073,470	1,217,470	144,000	12%	

Notes

1. Outturn adjusted for costs in relation to the recent pay award applied and includes projection until year end in relation to vacant posts.
2. Outturn adjusted for savings generated in the financial year to date and includes projection until year end.



Committee Report by Directorate - Human Resources

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	164,176	159,039	(5,137)	(3%)	210,848	205,848	(5,000)	(2%)	1
Other Employee Costs	51,062	49,490	(1,572)	(3%)	69,057	64,057	(5,000)	(8%)	1
Sub Total Employee Costs	215,238	208,529	(6,708)	(3%)	279,905	269,905	(10,000)	(4%)	
Supplies & Services	3,078	5,385	2,307	43%	7,000	7,000	-	0%	
Third Party Payments									
Other Third Party Payments	11,175	0	(11,175)		15,000	0	(15,000)		2
Sub Total Third Party Payments	11,175	0	(11,175)		15,000	0	(15,000)		
TOTAL EXPENDITURE	229,490	213,914	(15,577)	(7%)	301,905	276,905	(25,000)	(9%)	
Net Total	229,490	213,914	(15,577)	(7%)	301,905	276,905	(25,000)	(9%)	

Notes

1. Incorporates the impact of the recent pay award applied.
2. Costs associated with agency resource to support HR team.



Committee Report by Directorate - Elected Members

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget			
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %
EXPENDITURE								
Supplies & Services	39,220	40,110	890	2%	52,143	52,143	0	0%
Transport & Plant Costs	964	2,692	1,729	64%	3,500	3,500	0	0%
TOTAL EXPENDITURE	40,184	42,802	2,619	6%	55,643	55,643	0	0%
Net Total	40,184	42,802	2,619	6%	55,643	55,643	0	0%



Committee Report by Directorate - Contact Centre

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Note
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	296,903	280,696	(16,207)	(6%)	383,313	363,313	(20,000)	(6%)	1
Overtime	2,227	1,932	(296)	(15%)	2,500	2,500	0	0%	
Other Employee Costs	82,649	78,945	(3,704)	(5%)	109,681	102,181	(7,500)	(7%)	1
Sub Total Employee Costs	381,779	361,573	(20,206)	(6%)	495,493	467,993	(27,500)	(6%)	
Supplies & Services	41,531	44,692	3,161	7%	58,100	58,100	0	0%	
Transport & Plant Costs	0	385	385	100%	500	500	0	0%	
Third Party Payments									
Other Third Party Payments	59,477	19,231	(40,246)	(209%)	65,000	25,000	(40,000)	(160%)	2
Sub Total Third Party Payments	59,477	19,231	(40,246)	(209%)	65,000	25,000	(40,000)	(160%)	
TOTAL EXPENDITURE	482,787	425,881	(56,906)	(13%)	619,093	551,593	(67,500)	(12%)	
INCOME									
Agency Fee Income - Councils	(258,418)	(233,344)	25,075	(11%)	(343,347)	(303,347)	40,000	(13%)	2
Other Income	0	(7,692)	(7,692)	100%	(10,000)	(10,000)	0	0%	
TOTAL INCOME	(258,418)	(241,036)	17,383	(7%)	(353,347)	(313,347)	40,000	(13%)	
Net Total	224,368	184,845	(39,524)	(21%)	265,747	238,247	(27,500)	(12%)	

Notes

1. Incorporates the impact of the recent pay award applied.
2. Costs associated with support provided for u-22 applications which will be recovered in full from the Improvement Service.



Committee Report by Directorate - Corporate

For Year 22/23 Period 10 ending 07-Jan-2023

	Year to Date				Annual Budget				Notes
	Actual	Budget	Variance	Variance %	Projected Outturn	Annual Budget	Variance	Variance %	
EXPENDITURE									
Employee Costs									
Salaries	0	205,345	205,345	100%	5,784	265,784	260,000	98%	1
Other Employee Costs	446,464	459,231	12,767	3%	597,000	597,000	0	0%	
Sub Total Employee Costs	446,464	664,576	218,112	33%	602,784	862,784	260,000	30%	
Property Costs									
Electricity	41,170	66,731	25,560	38%	86,750	86,750	0	0%	
Repairs and Maintenance	16,806	19,231	2,425	13%	25,000	25,000	0	0%	
Property Insurance	2,022	9,231	7,209	78%	12,000	12,000	0	0%	
Other Property Costs	298,774	249,108	(49,666)	(20%)	373,840	323,840	(50,000)	(15%)	2
Sub Total Property Costs	358,772	344,300	(14,471)	(4%)	497,590	447,590	(50,000)	(11%)	
Supplies & Services	213,895	387,308	173,413	45%	453,500	503,500	50,000	10%	3
Third Party Payments									
Communications	260,236	273,077	12,841	5%	355,000	355,000	0	0%	4
Other Third Party Payments	1,317,501	3,052,689	1,735,188	57%	2,118,495	3,968,495	1,850,000	47%	5
Sub Total Third Party Payments	1,577,736	3,325,766	1,748,029	53%	2,473,495	4,323,495	1,850,000	43%	
Financing Costs									
Contribution to Subway Fund	0	0	0		5,070,000	0	(5,070,000)		6
Contribution to Transport Future Investment Fund	0	0	0		2,000,000	0	(2,000,000)		7
Contribution to Subway Infrastructure Fund	0	0	0		2,500,000	0	(2,500,000)		7
Sub Total Financing Costs	0	0	0		9,570,000	0	(9,570,000)		
TOTAL EXPENDITURE	2,596,867	4,721,950	2,125,083	45%	13,597,369	6,137,369	(7,460,000)	(122%)	
INCOME									
Agency Fee Income - Councils	(779,622)	(769,231)	10,391	(1%)	(1,000,000)	(1,000,000)	0	0%	
Interest Received	(2,306,116)	(1,000,000)	1,306,116	(131%)	(3,500,000)	(1,300,000)	2,200,000	(169%)	8
Other Income	(332,960)	(293,846)	39,114	(13%)	(382,000)	(382,000)	0	0%	
TOTAL INCOME	(3,418,698)	(2,063,077)	1,355,621	(66%)	(4,882,000)	(2,682,000)	2,200,000	(82%)	
Net Total	(821,831)	2,658,873	3,480,704	131%	8,715,369	3,455,369	(5,260,000)	(152%)	

Notes

- Recent pay award allocated across departments.
- Includes costs in relation to property rates for vacant rental properties.
- Outturn adjusted for projected savings in general supplies and training costs.
- Current position due to timing issues in respect of expenditure/budget phasing.
- Budget includes provision for potential additional costs to SPT due to increased inflation, fuel prices and potential changes in the bus market. However full provision is unlikely to be required.
- The original planned contribution to the Subway Fund in 2022/23 can now be reinstated due to the current projected underspend.
- Projected transfer to the Transport Future Investment Fund and Subway Infrastructure Fund for the financial year 2022/23.
- Increased income anticipated due to current rates and cash balances.