

APPENDIX 2

Directorates Variances Summary

Variances and movements greater than £50,000

Directorate	Period 6 Variance £	Period 7 Variance £	Movement	Main Variances Explanation
<u>Finance & Resources</u>				
Assets and Property	86,550	(159,580)	(246,130)	The favourable movement and variance is mainly due to the centralised Corporate Property Asset Maintenance budget which is charged to individual services and the favourable forecast is changed in Assets & Property each month.
Commercial Services	134,212	134,212	0	The forecast overspend is largely due to projected unachievable car parking fees and income. This has been partially offset by vacancies within Building Control.
Finance	(971)	314,802	315,774	The adverse movement at M7 is mainly due to the predicted adjustment required for Surrey Pension Fund Strain, of £194k. As well as agency spend within Council Tax to maintain services.
	219,791	289,434	69,643	
<u>Economy, Planning and Place</u>				
Communication & Customer Services	0	0	(0)	
Planning	(198,806)	(364,533)	(165,727)	The favourable position and movement for period 7 relates to staffing vacancies within Development Management and Planning Policy. Both services are in the process of recruiting to these roles.
Regeneration & Economic Development	93,907	93,907	0	The adverse forecast relates to a change in the charging of staff to capital programmes partially offset by vacancies within the Economic Development Team.
Regulatory Services	(102,706)	(102,706)	0	The favourable forecast mainly relates to staffing vacancies.
	(207,606)	(373,333)	(165,727)	
<u>Housing, Communities & Environment</u>				
Community Services	36,389	77,803	41,414	There is a budgeted saving from an expected staffing restructure within Community Development that has not yet been completed. This adverse variance has been partially offset by unbudgeted grant income due from Surrey County Council.
Environmental Services	(178,012)	(240,112)	(62,100)	The favourable movement is attributed mostly by 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.
Housing Services	71,674	59,016	(12,657)	The adverse variance is due to the post of Housing Strategy and Enabling Manager agency costs being forecasted to the end of the year.
	(69,949)	(103,293)	(33,343)	
<u>Democracy, Law & People</u>				
Legal Services & Information Governance	(0)	(299,632)	(299,632)	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.
Democratic Services & Elections	11,093	11,093	(0)	
HR Services	(822)	(822)	(0)	
	10,271	(289,361)	(299,632)	
<u>Strategy & Corporate Services</u>				
	(163,361)	(209,469)	(46,107)	The favourable forecasted variance mainly relates to staffing savings and an unused consultancy budget.
Directorates Total				
	(210,855)	(686,021)	(475,166)	
<u>Housing Revenue Account</u>				
	1,903,795	3,194,766	1,290,972	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. This adverse variance will increase as additional costs are charged. Work is ongoing to assess the overall yearly impact of these increases.