

APPENDIX 2

Directorates Variances Summary

Variances and movements greater than £50,000

Directorate	Period 7 Variance £	Period 8 Variance £	Movement	Main Variances Explanation
<u>Finance & Resources</u>				
Assets and Property	(159,580)	(339,756)	(180,177)	The favourable movement and variance is mainly due to the centralised Corporate Maintenance budget which is charged to individual services and the favourable forecast is changed in Assets & Property each month.
Commercial Services	134,212	135,847	1,635	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 6 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	314,802	1,497,740	1,182,938	The adverse movement at M7 is mainly due to reversal of an HRA recharge that will not be recovered this year. This has been rectified for 2026-27. Additionally, there is a predicted adjustment required for Surrey Pension Fund Strain, of £194k as well as agency spend within Council Tax to maintain services.
	289,434	1,293,831	1,004,396	
<u>Economy, Planning and Place</u>				
Communication & Customer Services	0	0	(0)	
Planning	(364,533)	(731,183)	(366,650)	The favourable position for period 6 partly relates to staffing vacancies within Development Management and Planning Policy. Both services are in the process of recruiting to these roles. There is additional demand led planning fee income.
Regeneration & Economic Development	93,907	93,907	0	
Regulatory Services	(102,706)	(168,448)	(65,742)	Underspend mainly relate to staffing vacancies.
	(373,333)	(805,724)	(432,391)	
<u>Housing, Communities & Environment</u>				
Community Services	77,803	77,803	0	
Environmental Services	(240,112)	(240,112)	0	There are savings from depot expenses and employee exp costs, which is not expected to be recharged. Furthermore, a saving has been realised from a combination of vehicle hire and vehicle operations budgets, aligned with current and projected expenditure levels.
Housing Services	59,016	(23,726)	(82,742)	
	(103,293)	(186,035)	(82,742)	
<u>Democracy, Law & People</u>				
Legal Services & Information Governance	(299,632)	(306,132)	(6,500)	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	(622,982)	(634,075)	The favourable movement relates to CDC recharge income not budgeted for. This has been rectified for 2026-27.
HR Services	(822)	77,650	78,471	
	(289,361)	(851,465)	(562,104)	
<u>Strategy & Corporate Services</u>				
	(209,469)	(213,929)	(4,460)	
Directorates Total				
	(686,021)	(763,322)	(77,301)	
<u>Housing Revenue Account</u>				
	3,194,766	3,755,924	561,157	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.