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Finance Report – Month Ending 30 September 2025

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This accounts commentary highlights the most significant variances from forecast in the actual financial results to the month ending 30 September 2025 and the forecast outturn for the year 2025-26. A full budget review exercise was completed in September, and the forecasts have been updated accordingly to reflect.

Revenue Income & Expenditure Report

1. Revenue Income

Grant of £1,203,000 has been agreed with the GLA for the year, which includes £21,000 funding for a cost of living pay award to all staff estimated at the time when our budget was prepared. In addition, a further £5,500 has been forecast to account for the final pay award which was subsequently determined by the GLA. Income has been profiled and allocated monthly in the accounts.

Following completion of the annual audit our external auditors have recommended an annual provision be made for interest earned on rent deposit. In prior periods interest has only been recognised at the end of the lease term and not annually. As such an adjustment was not made on 31 March 2025. Both the 2024-25 and 2025-26 values have now been forecast in year with a total estimated value of £6,000.

2. Revenue Expenditure

Staff costs:

Staff costs to date are in line with forecast. The forecast outturn is £23,000 higher than budget. This is in part due to an element in the final pay award determined by the GLA which had not been assumed in the budget and has been funded by additional grant in aid of £6,000 in the year.

The remaining increase is made up of two further elements - £13,000 to cover unexpected costs associated with the return to work from maternity leave by a member of staff; and a correction of around £4,000 to the pension cost forecast to reflect actual current membership and rates payable. The combined cost of these two elements will be taken from reserves.

The Members pay forecast outturn is £3,000 lower than budget as the budget assumed a Deputy Chair pay uplift for one member but this post will not be filled this year.

Fixed Overheads:

Costs to date are in line with forecast. The forecast outturn for HR consultancy is anticipated to be £4,000 higher than budget which has been offset by savings identified in the IT budget.

Variable Overheads:

Costs to date are in line with forecast. The forecast Outturn has been revised following the mid-year budget review and total savings of £24,000 identified and released. These include a release of £10,000 in the recruitment budget, £5,000 in the training budget, £3,000 in the postage, stationery and archiving budgets and a combined £6,000 across the travel and subsistence, staff welfare and website budgets.

Project costs:

A total of £100,000 was initially allocated to projects for the year in the budget and a further £18,000 was subsequently allocated to 'More Seamless Journeys'. The savings identified in the budget review have allowed the project budget allocations to be reviewed alongside wider project plans for the year. As a result a further £30,000 has been allocated to the Better Transport Services project and an additional £5,000 to the More Accessible, Inclusive & Secure Transport project. £10,000 was previously allocated to Closer working with the Transport Committee which has now been released. All other costs are largely in line with forecast and budget.

Funding to/from reserves and reserves at the year-end

The actual opening reserve balance at 1 April was £237,000 following audit. Net savings of £2,000 have been transferred following the budget review and £43,000 of these reserves are forecast to be utilised to fund spending in the year leaving a forecast closing reserve of £194,000.

3. Cash Flow

The bank balance at 30 September was £576,000.

4. Recommendation

That the Board consider the report and review the management accounts.