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## 7a 2015/16 Budget Matters

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- o Purpose of Report

To provide the Board with an update on the Partnership's 2015/16 budget and forecast outturn and to consider any budget or monitoring issues that may arise.

- o Background

The Board has requested that a general budget report be submitted to each meeting, monitoring expenditure, identifying any potential budget issues, and reporting on any particular expenditure requests. The reports are prepared jointly by the Nestrans office and Finance officers from Aberdeenshire Council.

- o Current Revenue & Capital Budget

**Appendix 1** to this report sets out a summary budget monitoring statement of expenditure to 28 February 2016. This shows expenditure of £2,045,178 to the end of February and a forecast of £3,148,763 to the end of the financial year. The high level of expenditure anticipated in March follows the typical profile of expenditure across the year, as both partner Councils will have established the full costs of the projects as part of their year end process and recharged these to Nestrans accordingly.

Last year Nestrans delayed drawdown of £493,537, of which £403,537 has been spent to date. The remaining £90,000 has been approved at the February Board meeting to be carried forward into 2016/17 for two projects. This has proven to be a more flexible way of dealing with the funding and has removed any ambiguity regarding Nestrans continued support for these projects that have branched across one financial year to the next.

It was noted at the last Board that Sustrans are again providing funding of up to £100,000 in 2015/16 to match fund the cycling development officer post that is funded by Nestrans along with any approved cycle infrastructure costs incurred by Nestrans that are not already being used to attract match funding by the Councils. The cycle projects previously reported as being agreed to date for delivery in 2015/16 with Sustrans and the relevant roads authorities are as follows:

£29,000 - toucan crossing for Dyce Drive  
£20,000 - cycle counters on strategic corridors  
£6,000 - Seaton Park Access Feasibility Study

The amount invoiced to Nestrans and claimed as grant from Sustrans by 31 March 2016 was £27,757 and comprised of the following:

£5,000 (partial claim) - toucan crossing for Dyce Drive  
£19,587 - cycle counters on strategic corridors  
£3,170 - Seaton Park Access Feasibility Study

Sustrans previously advised that the 2015/16 grant funding could continue to be drawn down until end May 2016/17. The projects that have been agreed with the remaining funding are as follows:

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£24,000 (remaining claim) - toucan crossing for Dyce Drive  
£4,234 - installation of cycle counters  
£22,750 - widening of shared cycle/pedestrian path at access to Kingswells Park & Ride  
£12,326 – signage of cycle paths at Ellon Academy  
£8,933 – Lighting scheme pilot for cycle route in Aberdeenshire

- Strategic Transport Fund

There have been contributions of £243,307 received from developers this financial year. The Strategic Transport Fund (STF) balance now stands at £1,716,470. Contributions will be retained in the Fund in the Balance Sheet and will not be shown as income in the accounts until works associated with STF projects begins. The Fund will release monies to match the level of expenditure as it is incurred.

- Recommendation

It is recommended that the Board:

1. Note the monitoring position and forecast presented in Appendix 1.
2. Note the projects which have been agreed to be funded from remaining Sustrans grant.

Alan Wood  
Treasurer  
08 April 2016

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**SUMMARY OF INCOME & EXPENDITURE**

Description	Revised Budget	Actual to Feb-16	2015/16 Forecast	Actual v Budget %
<b>Expenditure</b>				
<b>Core Costs</b>				
Partnership Office	345,000	277,278	344,506	80%
Partner Support costs	86,140	78,962	88,697	92%
Board Members Expenses	2,000	0	0	0%
Other Associated Costs	36,200	30,133	36,200	83%
Rechargeable Costs	0	0	0	*
	<b>469,340</b>	<b>386,372</b>	<b>469,403</b>	<b>82%</b>
<b>Regional Transport Strategy</b>				
Health & Transport Action Plan	28,500	26,451	29,840	93%
Bus Action Plan	30,510	26,343	30,510	86%
Rail Action Plan	153,000	26,445	152,980	17%
Freight Action Plan	0	0	0	*
General	5,000	5,687	5,687	114%
Project Feasibility & Monitoring	158,000	117,097	158,034	74%
Contingency	5,000	9,316	9,316	186%
Travel Planning	105,000	105,513	105,397	100%
Rechargeable Costs	0	10,370	10,370	*
	<b>485,010</b>	<b>327,222</b>	<b>502,134</b>	<b>67%</b>
<b>Coordination &amp; Project Development</b>	<b>954,350</b>	<b>713,594</b>	<b>971,537</b>	<b>75%</b>
<b>Strategic Roads</b>				
Capacity	40,000	21,796	40,000	54%
Safety	264,537	161,848	296,353	61%
Maintenance	391,040	210,709	340,978	54%
<b>Bus Improvements</b>				
Energetica Corridor	178,000	176,838	178,267	99%
General Corridors	429,250	204,136	348,000	48%
<b>Walking and Cycling</b>				
Energetica Corridor	527,500	187,236	519,800	35%
Strategic Corridors	111,330	26,883	104,082	24%
<b>Freight</b>	0	0	0	*
<b>Various</b>	335,500	342,139	349,746	102%
<b>Strategic Investment Programme</b>	<b>2,277,157</b>	<b>1,331,584</b>	<b>2,177,226</b>	<b>58%</b>
<b>Total Expenditure</b>	<b>3,231,507</b>	<b>2,045,178</b>	<b>3,148,763</b>	<b>63%</b>
<b>Income</b>				
<b>Partner Contributions</b>				
Aberdeen City Council	122,175	47,175	47,175	39%
Aberdeenshire Council	122,175	42,175	42,175	35%
Scottish Government - Core costs	782,000	715,000	782,000	91%
Transport Scotland	0	25,000	25,000	*
Sustrans	0	27,757	27,757	
Capital Grant & Use of Balances	2,726,537	1,306,584	2,207,469	48%
<b>Investment Interest</b>	0	8,922	9,528	*
<b>Other Income</b>	0	10,920	10,920	*
<b>Total Income</b>	<b>3,752,887</b>	<b>2,183,533</b>	<b>3,152,025</b>	<b>58%</b>
<b>Operating (Surplus)/Deficit</b>	<b>(521,380)</b>	<b>(138,355)</b>	<b>(3,261)</b>	