

Budget Matters – 7a 2012/13 Budget Matters

- Purpose of Report

To provide the Board with an update on the Partnership's 2012/13 budget and forecast outturn and to provide some information on the Scottish Government recently published budget proposals.

- 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.

- Current Revenue & Capital Budget

Appendix 1 to this report sets out a summary budget monitoring statement of expenditure to 30 September 2012. This shows expenditure of £499,601. The spend to date is broadly in line with expectations for this time of year. The works programme is advancing but there has been little by way of invoiced costs received at this time. It is expected that programme costs will remain broadly in line with budget and forecasts have been left at the budgeted level for the time being. There are no areas of concern to consider at this time.

£43,000 has been received from a developer towards the Strategic Transport Fund (STF). This money 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.

- National Budget

On 20 September the Scottish Government published budget proposals for 2013 – 14 and gave indications of budget for the year 2014 – 15.

Of particular interest to Nestrans is the section on Infrastructure, Investment and Cities and the following extracts are included for general information.

On page 121:

In 2013 -14 we will:

- *Continue to progress the Aberdeen Western Peripheral Route (AWPR) and Balmedie projects and bring forward to procurement as soon as the legal issues surrounding the project are resolved;*
- *Progress design work on the A96 Inveramsay Bridge,....and A90 Haudagain Roundabout;*

On page 122, table 9.07

| | 2012-13 Budget £m | 2013-14 Draft Budget £m | 2014-15 Plans £m |
|---------------------------------------|----------------------|-------------------------------|------------------------|
| <i>Travel Strategy and Innovation</i> | 5.1 | 5.1 | 5.1 |

On Page 123:

The budget for Transport Strategy and Innovation provides running cost support for Regional Transport Partnerships.....

In 2013 -14 we will:

- *Continue development of a route strategy for the dualling of the A96;*

On page 117:

| | 2012-13 Budget £m | 2013-14 Draft Budget £m | 2014-15 Plans £m |
|---------------------------------|----------------------|-------------------------------|------------------------|
| <i>Concessionary Fares</i> | 192.0 | 192.0 | 192.0 |
| <i>Support for Bus Services</i> | 53.8 | 58.8 | 53.8 |

On Page 118:

In 2013 – 14 we will:

- *Continue to deliver the concessionary travel schemes to provide free or discounted trips on public transport to the people that need it most, connecting Scotland's people and communities; and*
- *Continue to make efficiency savings in the operation of the schemes and the validation of bus operator claims.*

On Page 124, table 9.08:

| | 2012-13 Budget £m | 2013-14 Draft Budget £m | 2014-15 Plans £m |
|----------------------------|----------------------|-------------------------------|------------------------|
| <i>Rail Franchise</i> | 447.4 | 511.5 | 530.9 |
| <i>Rail Infrastructure</i> | 290.7 | 278.0 | 277.7 |

In 2013 – 14 we will:

- *Increase expenditure to improve rail passenger services and operate, maintain and enhance the rail network;*
- *Let the next contracts for the provision of ScotRail passenger and Caledonian Sleeper Services*

- Recommendation

It is recommended that the Board:

1. Note the monitoring position and forecast
2. Note the draft budget information from the Scottish Government

Alan Wood
Treasurer

01 October 2012