

7a 2014/15 Budget Matters

o Purpose of Report

To provide the Board with an update on the Partnership's 2014/15 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 30 September 2014. This shows expenditure of £515,263. The works programme for both revenue and capital is advancing, but expenditure is still relatively low at this point in the year.

A recent meeting was held to discuss the progress of each project with managers from both partner Councils and to review the best use of the funds freed up from the delay to the Kintore Station car park project, highlighted in the monitoring report presented at the last Board meeting.

Managers also identified a number of other projects which they expected would require slightly less funding for a variety of reasons. Discussions have culminated in proposals for a number of virements, to ensure the most effective use of funds. These are set out in **Appendix 2** for members' consideration and approval.

In addition to this, it is proposed to allocate a further £27,500 to Variable Message Signs to bring the budget on this project to a total of £155,000. This is possible due to an unexpected refund of £6,000 Nestrans have received from The Scottish Ambulance Service in relation to THInC (Transport to Healthcare Information Centre), together with £21,500 which had been earmarked for settlement of a small number of invoices relating to prior years, for which an accrual had already been made.

o Strategic Transport Fund

There has been £235,013 of additional contributions received from developers so far this financial year for the Strategic Transport Fund (STF), bringing the total to £1,413,628. Contributions to date 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.

o **Recommendation**

It is recommended that the Board:

1. Note the monitoring position and forecast presented in Appendix 1.
2. Approve the proposed virements set out in Appendix 2.
3. Approve the use of the £6,000 refund and £21,500 of prior year Partner Council's contributions for the Variable Message Signs project.

Alan Wood
Treasurer

29 September 2014



SUMMARY OF INCOME & EXPENDITURE

Description	2014/15 Budget	Actual to 30/09/2014	2014/15 Outturn	Budget v Actual %
Expenditure				
Core Costs				
Partnership Office	370,500	164,574	370,500	44%
Partner Support costs	88,130	42,505	88,130	48%
Board Members Expenses	2,000	0	2,000	0%
Other Associated Costs	48,200	21,319	48,200	44%
Rechargeable Costs	0	101	101	*
	508,830	228,499	508,931	45%
Regional Transport Strategy				
Health & Transport Action Plan	37,500	1,795	37,500	5%
Bus Action Plan	33,020	0	33,020	0%
Rail Action Plan	37,000	0	37,000	0%
Freight Action Plan	30,000	6,919	30,000	23%
General	65,000	425	65,000	1%
Project Feasibility & Monitoring	240,000	43,928	240,000	18%
Contingency	5,000	4,800	5,000	96%
Travel Planning	130,000	30,899	130,000	24%
Rechargeable Costs	0	9,325	9,325	*
	577,520	98,092	586,845	17%
Capital Programme	2,509,500	188,673	2,509,500	8%
Total Expenditure	3,595,850	515,263	3,605,276	14%
Income				
Partner Contributions				
Aberdeen City Council	122,175	61,088	122,175	50%
Aberdeenshire Council	122,175	61,088	122,175	50%
Scottish Executive - Core costs	782,000	325,000	782,000	42%
Capital Grant & Use of Balances	2,591,000	1,026,000	2,591,000	40%
Investment Interest	0	3,500	8,000	*
Other Income	0	14,426	14,426	*
Total Income	3,617,350	1,491,101	3,639,776	41%
Operating (Surplus)/Deficit	(21,500)	(975,838)	(34,500)	

APPENDIX 2

Current Budget	Proposed Virements	Revised Budget	Notes
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Capital Projects

Rail

Kintore Railway Station Ph 1	£257,250	(£257,250)	£0	1
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Strategic Roads – Safety

Variable Message Signs	£100,000	£27,500	£127,500	2
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Strategic Roads - Maintenance

A98 High St, Banff	£120,000	(£20,000)	£100,000	3
A920 Colpy to Ptts Rayne Ph 2	£22,000	£40,000	£62,000	4

Bus Improvements - Energetica Corridors

Ellon Park & Ride	£30,000	(£22,500)	£7,500	5
Peterhead Transport Interchange Improvements	£0	£22,500	£22,500	6

Bus Improvements - General Corridors

A90 (S) Park & Choose	£30,000	(£15,000)	£15,000	7
A944 corridor modelling/SQP improvement identification	£0	£60,000	£60,000	8

Walking & Cycling - Strategic Corridors

Deeside Way surfacing Peterculter to City Boundary	£22,500	£10,750	£33,250	9
F&B Way - Surfacing Dyce Station to Parkhill Bridge	£80,000	£45,000	£125,000	10
Riverside Dr Cyclepath - KGVI to Br of Dee	£190,000	£10,000	£200,000	11
Meldrum Meg Way	£0	£50,000	£50,000	12
Inverallochie to Cairnbulg	£0	£50,000	£50,000	13
Cycle racks for Towns infrastructure	£0	£20,000	£20,000	14

Freight

Howemoss Dr/ Dyce Dr Junction	£40,000	(£35,000)	£5,000	15
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Various

Electric vehicle chargers	£0	£20,000	£20,000	16
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Revenue Projects

Rail Action Plan

Aberdeen - Inverness Timetabling Study	£12,000	(£12,000)	£0	17
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Project Feasibility and monitoring

Feasibility and Design aspects of Locking in the Benefits	£20,000	£10,000	£30,000	18
Assessment for City Centre Pedestrianisation (LIB)	£40,000	£8,000	£48,000	19
Wellington Road multi-modal AWPR LIB study	£20,000	£5,500	£25,500	20

Travel Planning

Cycling Development Officer	£50,000	(£25,000)	£25,000	21
Contribution to I-bike officer	£0	£7,500	£7,500	22

APPENDIX 2

Notes:

1. Problems in relation to land acquisition mean this project will now require a CPO which will not be concluded until next financial year.
 2. Increase in budget to allow an additional sign to be installed on Wellington Road, at the Charleston flyover.
 3. The final measurement for this project has been received and is £20k under budget.
 4. Additional contribution requested – the majority of costs are already being funded by Aberdeenshire Council.
 5. Problems in relation to land acquisition mean this project will now require a CPO, with only a small amount of expenditure expected in 2014/15.
 6. This budget would facilitate the creation of a Transport Interchange Facility, which Stagecoach would use as their main terminus for inter urban services.
 7. The full budget is not expected to be required this financial year.
 8. Modelling of options to improve bus journey time reliability on the A944.
 9. Additional budget required to cover site supervision costs.
 10. Additional costs for drainage and lighting requirements.
 11. Additional costs for lighting requirements.
 12. Creation of an off road cycle/footpath between Inverurie and Oldmeldrum. Funding from Nestrans would allow faster progression of this project, which has already been started by Aberdeenshire Council.
 13. Allows Phase 2 of this project to be accelerated (Phase 1 having already been funded by Aberdeenshire Council).
 14. Additional money to be made available for more cycle racks.
 15. Land negotiations are ongoing. Construction now unlikely in 2014/15.
 16. Installation of chargers for electric vehicles in nine designated car parks across Aberdeenshire.
 17. Delay in publication of GRIP3 (Governance for Railway Investment Projects – Option Selection stage) means this cannot be undertaken by the end of the financial year.
 18. Additional funding for roads hierarchy review.
 19. Additional contribution for option assessment.
 20. Additional funds for increased scope of works.
 21. Budget is for a full year provision, however, this post will not be filled until October.
 22. Funds would allow a cycling officer to work in schools to promote cycling.
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