
7b 2010/11 Budgets

- Purpose of Report

To provide the Board with an update on available funding in 2010/11 and agree a Capital Budget for 2010/11.

- Background

The Board previously approved the Nestrans Delivery Plan as a priority setting document for the period 2010 -2021, which shows a general programme of works to deliver the Regional Transport Strategy, whilst noting that this is subject to future budget and partner agreements. The section of the Delivery Plan showing the Actions and Projects with Nestrans Involvement in 2010/11 has therefore been used as the basis for developing the proposed Capital Budget.

The Delivery Plan anticipated funding levels of £3.114M Capital, however in light of Council budget deliberations the available budget for 2010/11 is £2.843M, which comprises of allocations from Aberdeenshire Council £1.432M and Aberdeen City Council of £1.411M.

An offer of Revenue Grant In Aid has now been received from the Scottish Government for 2010/11, which confirms that it will remain at the same level as in 2009/10 and amount to up to £920K. Requested Council contributions of £135,375 have been approved by both Authorities and funding levels of £1,190,750 are therefore in place for the Nestrans 2010/11 Revenue Budget as approved by the Board on 8 February 2010.

- Consideration

The Delivery Plan gave a starting point for the formation of the Capital Budget and the projects with Nestrans Involvement it contained for 2010/11 are shown in Appendix 1. It is recognised however that the Delivery Plan is not an agreed spending Plan and will require revision throughout the period of its operation as more detailed investigations are undertaken and proposed projects are completed, abandoned or superseded by future proposals that may arise. A number of the projects proposed for 2010/11 within the Delivery Plan therefore no longer require funding and these sums have been shaded within the Appendix along with a statement as to why they are not being progressed at this time.

A team of Nestrans officers and Council colleagues have put forward a series of further projects based upon the actions from the various Nestrans Action Plans and previously commissioned studies such as Access from the South. Consideration was also given to the likelihood of projects being undertaken in time, constraints to progress, legally committed projects, building upon previous year's expenditure and the fit to the aims of the Regional Transport Strategy.

The team also considered the extent to which projects would require ongoing revenue support, possible future year capital expenditure contained within the Delivery Plan and to what extent projects were also being part funded by other bodies including the Councils and external funders. The proposed budget aims to achieve a balance of expenditure across the objectives with the greatest chance of deliverability.

- Budget Proposals

The proposed budget is contained in Appendix 1 along with the base Delivery Plan projects. The proposed expenditure has been grouped into projects matching the strands of the Regional Transport Strategy and details given to show where expenditure is likely to achieve Action Plan or previous study aims. Full details are shown in the Appendix, but in summary it is:

RTS Strand	Delivery Plan	Proposed Budget
Rail	£50,000	£0
Strategic Road - Capacity Improvements	£850,000	£410,000
Strategic Road - Safety Improvements	£350,000	£500,000
Strategic Road - Prioritised Maintenance	£0	£838,000
Bus Improvements	£650,000	£535,000
Transport Interchange	£50,000	£0
Walking and Cycling	£500,000	£345,000
Various	£40,000	£210,000
Total	£2,490,000	£2,838,000
Available		£2,843,000
Unallocated		£5,000

Although there was no allowance within the 2010/11 Delivery Plan for Nestrans involvement in prioritised maintenance, this has become a high priority for both Local Authorities as a result of the sustained periods of winter weather that have been experienced. It has therefore been considered appropriate for Nestrans to contribute to prioritised maintenance of the strategic road network.

The Board's attention should also be drawn to the proposal for Variable Message Signing, which provides the third phase in extending the signs that have been installed from Aberdeen City Centre outwards in recent years. The overall cost of the proposal is £400K, but there is a risk that the scheme could not be completed within one financial year. A proposal has been included to only fund £200K in 2010/11 to cover the cost of design and purchase of signs, but as it is likely that the works would be issued as one contract to achieve best value for money, the Board should note that there would then be a legal commitment to funding the remaining £200K costs in 2011/12. Members may therefore wish to consider whether they wish to commit funding over a 2 year period in advance of future year allocations being known, or would prefer to reallocate this as a further contribution towards prioritised maintenance on strategic roads, for example, or to any of the other strands of the RTS.

A reserve list of projects has been prepared and should the need arise, projects could be prioritised from this list and reported to a future Board for approval.

- Recommendation

It is recommended that the Board:

1. Note that the revenue funding for 2010/11 has been confirmed and is now in place
2. Approve the 2010/11 Capital Budget making appropriate adjustments following the Board's consideration.

