
7b 2010/11 Budgets

- Purpose of Report

To approve the 2010/11 revenue budget and advise the Board of progress in developing the 2010/11 capital budget.

- Background

At the last meeting on 17 December 2009 the Board agreed the suggested funding levels for 2010/11 based on proposed contributions to be requested from the Councils and anticipated revenue support from the Scottish Government. The Board also instructed a further report detailing the proposed budget expenditure

This report provides a suggested 2010/11 revenue budget for discussion based on an anticipated funding level of £1,190,750, although this amount may have to be reviewed pending formal confirmation of the Government Grant. Proposals for the capital budget based on anticipated funding of £3,114,000 are still being finalised and it is intended to report this to the next meeting of the Board when the outcome of Council budget deliberations and therefore available funding levels are known.

- Consideration

2009/10 Revenue Budget

The proposed budget has again been drafted to support the implementation of the Regional Transport Strategy. The core costs reflect the running costs of Nestrans and have been based on previous allocations, with adjustments applied in accordance with inflation and levels of expenditure achieved in previous years.

The non core costs are for the feasibility assessment and preparation of Regional Transport Projects. A reference has been included to show which strand of the RTS each project contributes to. This is to help clarify how the budget is developing in relation to the RTS objectives. The projects are split into the following sections:

Action Plan Projects

These are specific projects that have been identified for implementation as a result of actions identified to date and it was also thought prudent to make a general allowance for actions from the emerging Action Plans.

General Projects outwith the Action Plans

These are specific projects identified for funding that sit outside the area of the Action Plans but meet the objectives of the Regional Transport Strategy.

Project Feasibility and Monitoring

This is an allowance for developing projects that have come from specific studies previously commissioned by Nestrans and for initial work to investigate options in support of projects that have been identified as being of national importance in the Strategic Transport Project Review (STPR).

Contingency

A small allowance for unforeseen expenditure.

Travel Planning

This covers sustainable travel projects and events. It includes funding for the Nestrans sustainable travel grant scheme that has been in existence for a number of years. There is no direct Government grant in support of Travel Planning this year so a greater allowance is proposed to continue to bring the total funding up to the £100K level of previous years to develop the aims of the Travel Planning Strategy.

Budget Proposals

The proposed budget is attached as Appendix 1 along with indicative proposals for the detailed expenditure within each project heading in Appendix 2, but in summary it is:

Revenue Income is £1,190,750 amounting from:

Government grants (assumed as per 09/10)	£920,000
Funding from the Local Authorities (requested amount)	£270,750
Giving total income of	<u>£1,190,750</u>

Expenditure on the revenue budget is proposed at:

Core running costs of a Nestrans Board, team and support	<u>£561,025</u>
Action Plan Projects	£314,725
General projects outwith Action Plans	£40,000
Project Feasibility and Monitoring	£160,000
Contingency	£15,000
Travel Planning	£100,000
Giving total non core costs of	<u>£629,725</u>

2009/10 Capital Budget

Nestrans officers and Council colleagues have been considering the contents of the agreed Delivery Plan and the projects therein that are feasible for delivery in 2010/11. There are however a number of schemes within the Delivery Plan that are not at the stage of being ready for delivery and officers have had to consider other suitable projects that build on previous year's expenditure, can be undertaken in time and support the Regional Transport Strategy and the various supporting Action Plans. This work is ongoing with final information on the details, deliverability and cost of some capital projects still to be confirmed.

It is therefore proposed to delay the report on the draft 2010/11 capital budget until the next meeting of the Board to allow project details to be confirmed. As the next meeting is to be held on 14 April, delaying consideration of this budget until that time would not have a significantly adverse impact on delivery. The Councils will be considering their 2010/11 budgets later this month and the revised timescale will also allow the outcome of the Council budget deliberations with regard to the funding levels requested by Nestrans to be incorporated.

- Recommendation

The Board is recommended to:

1. Approve the revenue budget as shown in Appendix 1, subject to the anticipated funding levels being confirmed and making any appropriate adjustments following the Board's consideration
2. Instruct a further report detailing the proposed capital budget for consideration at the next Board meeting on 14 April

JA/29 January 2010