

7b 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 31 January 2015. This shows expenditure of £1,284,472.

There has been a review of a number of projects which, for a variety of reasons, are not now expecting to fully utilise the budget allocated for them in 2014/15. To make the most effective use of the resources available, proposals are presented for various virements, which are detailed in **Appendix 2**.

The remaining projects for which there is predicted to be underspend in the current financial year have all been put forward for consideration for funding within the 2015/16 budget proposals. These projects amount to £400,000 and it is proposed that the drawdown of this funding be delayed from 2014/15 to 2015/16. This is reflected in a decrease in the 2014/15 Outturn figures in Appendix 1 on both the forecast expenditure on the Strategic Investment Programme and the income from the Partner Contributions of Capital Grant. The detail of the projects which make up this £400,000 can be found on **Appendix 2**.

o Strategic Transport Fund

There has been £281,126 of additional contributions received from developers so far this financial year for the Strategic Transport Fund (STF), bringing the total to £1,459,741. 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 budget virements as set out in Appendix 2.
3. Note the intention to delay the drawdown of Capital Funds from the Partner Councils from 2014/15 to 2015/16 as set out in Appendix 2.