

Report to Partnership Meeting of 3rd June 2011

FINANCE

Revenue Budget Monitoring Report – 1 April 2010 to 31 March 2011

SUMMARY

This report sets out the provisional outturn revenue monitoring position for the year to 31 March 2011.

1. Current Position

1.1 The annual budget is as approved at the Board Meeting held on 5 February 2010, subsequently amended for the inclusion of the 2009/10 overspend of £18,434. The attached summary statement shows the provisional outturn financial position for the year ended 31 March 2011. At present the figures are showing an underspend of £30,939, which equates to 3.8% of the total budget. A projected underspend of £17,000 on the February monitoring statement was reported to the April Board meeting.

2. Year End Position

2.1 The year to date actual figures represent the transactions for the year ended 31 March 2011 and are in line with management expectations. Preparation of the annual accounts is well underway and the underspend is unlikely to change.

2.2 Board Members will note that based on the financial performance for the year, the provisional outturn shows an overall underspend of £30,939.

3. Major Issues and Variances

3.1 For completeness, income and expenditure for both the START and Giant Puffin projects are included. Broadly speaking, income received, mainly by way of grants, has been sufficient to cover expenditure incurred to date on both projects.

3.2 Included in miscellaneous income is income recovered from Orkney Islands Council (£5,800) as their contribution towards the cost of ALCO Consulting in production of the Orkney Smart Ticketing Proposal; First Scotrail (£24,347) as their contribution to the CHRONOS project; NESTRANS (£3,000) 50% contribution for both compilation of timetables for Aberdeen – Inverness Sunday Rail Service Enhancements and an article in House Magazine titled “North of Scotland needs London Link”. The costs are included in the Research and Strategy Development budget, consequently the outturn figure is higher than budget.

3.3 Salary costs are underspent by £10,409. This is due to an overprovision in the salaries budget for salary increases and superannuation costs. The Scottish Government agreed only a 0.5% national increase for APT&C staff, with Chief Officers having already agreed a 3 year settlement.

3.4 An underspend on Partnership meeting costs was used to offset an increase in publicity costs attributable to the design and development of the HITRANS website. The underspend was also utilised on the outstanding travel plan work carried forward from

2009/10.

- 3.5 Finance and administrative services comprises audit fee and charges from Councils for the provision of financial, personnel, legal and administrative services. £2,000 of the underspend is attributed to Highland Council for the cost financial services.
- 3.6 Current legislation in respect of Regional Transport Partnerships does not allow them to retain reserves, however there is scope to carry forward small underspends on committed expenditure but not incurred at the end of the financial year. This will allow HITRANS to meet its legal obligation of breaking even for 2010/11.

4. Recommendation

- 4.1 Board Members are asked to note the above information as well as the attached schedule showing the provisional outturn revenue monitoring position for the year ended 31 March 2011.

Report by: Mike Mitchell
Designation: Partnership Treasurer
Date: 27th May 2011

HITRANS - SUMMARY**STATEMENT OF REVENUE OUTTURNS:****31ST MARCH 2011 - NEAR FINAL**

2009/2010		2010/2011			
ACTUAL	BUDGET HEADINGS	ANNUAL BUDGET		ACTUAL TO DATE	(OVER) / UNDER
	INCOME				
(£200,000)	Councils	(£200,000)		(£200,000)	£0
(£200,000)	Scottish Government - Match Funding	(£200,000)		(£200,000)	£0
(£35,000)	Scottish Government - Travel Plan	£0		(£718)	£718
(£415,000)	Scottish Government - Regional Transport Strategy	(£415,000)		(£415,000)	£0
£0	START Project	£0		(£298,279)	£298,279
£0	Giant Puffin Project	£0		(£15,396)	£15,396
(£6,943)	Orkney Islands Council - Maternity Cover Income	£0		£0	£0
(£10,265)	Other Misc Income	£0		(£34,809)	£34,809
£0	Interest on Revenue Balances	£0		(£104)	£104
(£15,922)	2008/09 Surplus	£0		£0	£0
(£883,130)		(£815,000)		(£1,164,306)	£349,306
	DIRECT RUNNING COSTS				
£97,707	Director	£101,500		£96,792	£4,708
£119,883	Programme Managers	£124,500		£119,590	£4,910
£53,839	Office Managers	£55,500		£54,709	£791
£25,464	Staff Travelling and Subsistence	£25,000		£24,507	£493
£9,278	Members and Advisers Travel and Subsistence	£10,000		£9,861	£139
£20,105	Partnership/Consultation Meetings	£20,000		£12,936	£7,064
£13,110	Office Costs - Property	£20,000		£19,620	£380
£20,347	Office Costs - Admin	£21,500		£19,890	£1,610
£359,733		£378,000		£357,905	£20,095
	PROGRAMME COSTS				
£31,281	Publicity	£25,000		£30,710	(£5,710)
£36,106	Travel Plan Work	£0		£2,008	(£2,008)
£428,379	Research & Strategy Development	£352,566		£371,278	(£18,712)
£0	START Project	£0		£297,765	(£297,765)
£0	Giant Puffin Project	£0		£16,771	(£16,771)
£6,683	Orkney Islands Council - Maternity Cover Costs	£0		£0	£0
£935	Other Costs	£0		£0	£0
£235	Interest on Revenue Balances	£0		£0	£0
£0	2009/10 Deficit	£18,434		£18,434	£0
£503,619		£396,000		£736,966	(£340,966)
£38,212	Finance and Administrative Services	£41,000		£38,496	£2,504
£901,564	TOTAL COSTS	£815,000		£1,133,367	(£318,367)
£18,434	(UNDER) / OVERSPEND	£0		(£30,939)	£30,939