

Item:  
**3**



## Report to Partnership Meeting 4 April 2014

### FINANCE

#### Revenue Budget Monitoring Report – 1 April 2013 to 28 February 2014

#### SUMMARY

This report sets out the revenue monitoring position for the period to 28 February 2014 and the projected year end position.

#### 1. Current Position

- 1.1 The annual budget is as approved at the Board Meeting held on 3 February 2013, subsequently amended for the inclusion of the 2012/13 underspend of £59,294, the budget revision, approved at the August Board meeting, and the inclusion of European projects, approved at the November Board meeting.
- 1.2 The annual budget now includes the 2013/14 portion of the Bus Investment Fund grant (£0.365m) for the East Inverness Bus Improvement Corridor project.
- 1.3 The attached summary statement shows the financial position to 28 February 2014. In total income and expenditure is broadly in line with the budget out-turn target.

#### 2. Year End Projection

- 2.1 The year to date actual figures represent the transactions for the eleven months ended 28 February 2014 and are in line with management expectations. At present officers are not aware of any anomalies that will distort the overall financial position.
- 2.2 Board Members will note that based on the financial performance to date, it is predicted that at the end of the financial year the Partnership will deliver a balanced budget.

#### 3. Major Issues and Variances

- 3.1 Included in miscellaneous income are contributions of £7,290 and £1,500 from Highlands and Islands Enterprise and Comhairle nan Eilean Siar towards project work costs in respect of the Skye Air Service feasibility study and the Ferry Availability study respectively. Also, there is a sum of £5,271 recovering 50% of costs from Transport Scotland in respect of Theo Van Stratum's time. The remainder of the income is from 1 Architects for their share of the property costs at Inverness Airport, and recovery of travelling expenses.
- 3.2 Salary costs will be underspent by £32,000 at the end of the financial year. The appointment of the Active Travel Project Officer in October has resulted in an underspend as the budget was for a full year's salary costs and was set too high at the outset.

- 3.3 The underspend on salary costs has been used to offset further expenditure on both European projects, Giant Puffin and Food Port, and the Research & Strategy Development budget.
- 3.4 Members and advisers travel and subsistence and partnership/consultation meetings cumulatively are expected to be £6,000 underspent at the year end. The reduction is due to the rescheduling of meetings throughout the year.
- 3.5 Property and office administration costs will be overspent by £7,000 at the end of the financial year. The increased costs were incurred in the relocation of the HITRANS offices from Dalcross to Ardross Terrace in Inverness. The costs are one-off and will be met from the underspend highlighted at 3.4 above.
- 3.6 Finance and administrative services comprises audit fee and charges from Councils for the provision of financial, personnel, legal and administrative services. The amount paid to Highland Council for financial services will be underspent by £3,000 this financial year.
- 3.7 There are a number of significant invoices awaited, and also commitments made for research & strategy development, active travel project work and the East Inverness Bus Improvement Corridor project. These amounts are shown in the "Committed" column in the financial monitoring statement.
- 3.8 Statute requires HITRANS to deliver a balanced budget by the end of the financial year, and based on the financial information to date, this requirement will be fulfilled.

#### **4. Recommendation**

- 4.1 Board Members are asked to approve the above information as well as the attached schedule showing the revenue monitoring position for the period to 28 February 2014.

**Report by:** Mike Mitchell  
**Designation:** Partnership Treasurer  
**Date:** 25<sup>th</sup> March 2014

## HITRANS - SUMMARY

**STATEMENT OF REVENUE MONITORING TO: 28TH FEBRUARY 2014**

2012/2013		2013/2014					
ACTUAL	BUDGET HEADINGS	ANNUAL BUDGET	BUDGET TO DATE	ACTUAL TO DATE	COMMITTED	TO GO	PROJECTED OUTTURN
	<b>INCOME</b>						
(£200,000)	Councils	(£200,000)	(£200,000)	(£200,000)	£0	£0	(£200,000)
(£200,000)	Scottish Government - Match Funding	(£200,000)	(£183,333)	(£183,333)	£0	(£16,667)	(£200,000)
(£322,750)	Scottish Government - Regional Transport Strategy	(£322,750)	(£278,417)	(£278,417)	£0	(£44,333)	(£322,750)
(£23,450)	Highland Council - Conon Railway Station	£0	£0	£0	£0	£0	£0
£0	Grants - SUSTRANS	(£100,000)	£0	£0	£0	(£100,000)	(£100,000)
(£7,867)	Other Misc Income	£0	£0	(£15,401)	£0	(£599)	(£16,000)
(£69)	Interest on Revenue Balances	£0	£0	£0	£0	£0	£0
£0	Bus Investment Fund	(£365,000)	£0	£0	£0	(£365,000)	(£365,000)
(£32,932)	Giant Puffin Project	(£71,932)	(£32,932)	(£39,521)	£0	(£32,411)	(£71,932)
£0	Food Port Project	(£145,000)	(£30,000)	(£50,000)	£0	(£131,000)	(£181,000)
(£20,158)	2012/13 Surplus	(£26,362)	(£26,362)	(£26,362)	£0	£0	(£26,362)
(£807,226)		(£1,431,044)	(£751,044)	(£793,034)	£0	(£690,010)	(£1,483,044)
	<b>DIRECT RUNNING COSTS</b>						
£102,491	Director	£96,000	£88,000	£87,227	£0	£8,773	£96,000
£109,985	Partnership Managers	£118,000	£107,500	£106,418	£0	£10,582	£117,000
£56,745	Office Managers	£58,000	£53,500	£52,137	£0	£3,863	£56,000
£0	Active Travel Project Officer	£45,000	£13,500	£13,041	£0	£2,959	£16,000
£24,268	Staff Travelling and Subsistence	£26,000	£21,000	£20,783	£0	£5,217	£26,000
£4,880	Members and Advisers Travel and Subsistence	£9,000	£3,500	£2,870	£0	£1,130	£4,000
£9,701	Partnership/Consultation Meetings	£12,000	£9,000	£8,850	£0	£2,150	£11,000
£14,720	Office Costs - Property	£16,000	£14,500	£19,452	£0	(£452)	£19,000
£24,110	Office Costs - Admin	£20,000	£18,500	£21,780	£0	£2,220	£24,000
£346,900		£400,000	£329,000	£332,558	£0	£36,442	£369,000
	<b>PROGRAMME COSTS</b>						
£9,041	Publicity	£10,000	£9,000	£9,202	£0	£798	£10,000
£329,482	Research & Strategy Development	£236,044	£100,000	£96,815	£140,000	£229	£237,044
£0	Active Travel - SUSTRANS Project Work	£100,000	£0	£0	£100,000	£0	£100,000
£0	East Inverness Bus Improvement Corridor Project	£365,000	£0	£574	£364,000	£426	£365,000
£25,000	Conon Railway Station Project Work	£0	£0	£0	£0	£0	£0
£0	Giant Puffin Project	£60,000	£60,000	£76,464	£0	£536	£77,000
£0	Food Port Project	£220,000	£220,000	£287,092	£0	£908	£288,000
£0	Other Costs	£0	£0	£0	£0	£0	£0
£363,523		£991,044	£389,000	£470,147	£604,000	£2,897	£1,077,044
£37,509	Finance and Administrative Services	£40,000	£23,000	£21,634	£15,000	£366	£37,000
£747,932	<b>TOTAL COSTS</b>	£1,431,044	£741,000	£824,339	£619,000	£39,705	£1,483,044
(£59,294)	<b>(UNDER) / OVERSPEND</b>	£0	(£10,044)	£31,305	£619,000	(£650,305)	£0