

Report to Partnership Meeting 23 August 2013

FINANCE

Revenue Budget Monitoring Report – 1 April 2012 to 31 March 2013

SUMMARY

This report sets out the final outturn revenue monitoring position for the year to 31 March 2013.

1. Current Position

1.1 The annual budget is as approved at the Board Meeting held on 3 February 2012, subsequently amended for the inclusion of the 2011/12 underspend of £20,158. The attached summary statement shows the final outturn financial position for the year ended 31 March 2013. The figures show an underspend of £26,362, which equates to 3.5% of the total budget. A projected underspend of £13,280 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 2013 and are in line with management expectations. The audit 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 £26,362.

3. Major Issues and Variances

3.1 For completeness, income and expenditure for both the START and Giant Puffin projects are included. Included in the Research & Strategy Development (R&SD) budget are sums allocated of £15,000 and £70,000 to the Giant Puffin and Lifting the Spirit projects respectively. Lifting the Spirit project incurred costs totalling £10,797, therefore the allocation within the R&SD budget was not required, and provision will have to be allowed for in the 2013/14 programme. The START and Giant Puffin excesses, £8,479 and £24,787 respectively, have been funded by a combination of underspends in Direct Running Costs and slippage on the R&SD budget. The final European grant claim for the START project will be submitted in the 2013/14 financial year. The Giant Puffin grant claim, in respect of the 2012/13 financial year, was submitted in August 2013. The grants received will meet any R&SD slippage carried forward to 2013/14.

3.2 Included in miscellaneous income is income recovered from 1 Architects (£220) for their share of the property costs at Inverness Airport, NESTRANS (£678) for their share of travel costs for project work, £250 from Waterfront Conference Company, and £693 from Transport & Travel Research Ltd, both for reimbursement of expenses. Also included is £6,026 from the former, now defunct, Highland Cycle Forum towards cycling project work undertaken in 2012/13.

- 3.3 Salary costs are underspent by £3,779. This is due to the staffing changes on the retirement of the Partnership Director, and the temporary employment of a graduate through the Centre of Scottish Public Policy "Adopt an Intern" Programme approved at the HITRANS June Board meeting.
- 3.4 Members and advisers travel and subsistence and partnership/consultation meetings cumulatively are underspent by £15,419. The reduction is due to the Board's decision to hold one fewer Board meeting during the year, and the rescheduling of meetings throughout the year.
- 3.5 Office administration costs are overspent by £4,110. As a result of the underspends highlighted above, an opportunity was taken to purchase a new laptop computer for the office.
- 3.6 Finance and administrative services comprises audit fee and charges from Councils for the provision of financial, personnel, legal and administrative services. The underspend is mainly attributed to Highland Council for the cost of 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 2012/13.

4. Recommendation

- 4.1 Board Members are asked to approve the above information as well as the attached schedule showing the final outturn revenue monitoring position for the year ended 31 March 2013.

Report by: Mike Mitchell
Designation: Partnership Treasurer
Date: 9th August 2013

HITRANS - SUMMARY

STATEMENT OF REVENUE OUTTURNS:

31ST MARCH 2013 - FINAL

| 2011/2012 | | 2012/2013 | | | |
|-------------------|---|-------------------|-------------------|------------------|--|
| 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 | |
| (£322,750) | Scottish Government - Regional Transport Strategy | (£322,750) | (£322,750) | £0 | |
| (£96,000) | Scottish Government - Conon Railway Station | £0 | £0 | £0 | |
| £0 | Highland Council - Conon Railway Station | £0 | (£23,450) | £23,450 | |
| (£73,024) | START Project | £0 | £0 | £0 | |
| (£32,924) | Giant Puffin Project | £0 | (£20,116) | £20,116 | |
| (£14,000) | Other Misc Income | £0 | (£7,867) | £7,867 | |
| (£126) | Interest on Revenue Balances | £0 | (£69) | £69 | |
| (£33,552) | 2011/12 Surplus | (£20,158) | (£20,158) | £0 | |
| (£972,376) | | (£742,908) | (£794,410) | £51,502 | |
| | DIRECT RUNNING COSTS | | | | |
| £95,796 | Director | £97,000 | £102,491 | (£5,491) | |
| £116,391 | Programme Managers | £120,000 | £109,985 | £10,015 | |
| £54,349 | Office Managers | £56,000 | £56,745 | (£745) | |
| £19,540 | Staff Travelling and Subsistence | £25,000 | £24,268 | £732 | |
| £10,091 | Members and Advisers Travel and Subsistence | £10,000 | £4,880 | £5,120 | |
| £18,456 | Partnership/Consultation Meetings | £20,000 | £9,701 | £10,299 | |
| £14,430 | Office Costs - Property | £15,000 | £14,720 | £280 | |
| £22,926 | Office Costs - Admin | £20,000 | £24,110 | (£4,110) | |
| £351,979 | | £363,000 | £346,900 | £16,100 | |
| | PROGRAMME COSTS | | | | |
| £11,606 | Publicity | £12,500 | £9,041 | £3,459 | |
| £315,353 | Research & Strategy Development | £326,408 | £296,216 | £30,192 | |
| £99,880 | Conon Railway Station Project Work | £0 | £25,000 | (£25,000) | |
| £105,583 | START Project | £0 | £8,479 | (£8,479) | |
| £30,547 | Giant Puffin Project | £0 | £44,903 | (£44,903) | |
| £562,969 | | £338,908 | £383,639 | (£44,731) | |
| £37,270 | Finance and Administrative Services | £41,000 | £37,509 | £3,491 | |
| £952,218 | TOTAL COSTS | £742,908 | £768,048 | (£25,140) | |
| (£20,158) | (UNDER) / OVERSPEND | £0 | (£26,362) | £26,362 | |