

Item:  
**4**



## Report to Partnership Meeting of 5 February 2016

### FINANCE

### REVENUE BUDGET PROPOSAL 2016 - 2017

#### AGENDA ITEM:

1. Annex 1 shows the budget that is being recommended for approval for the next financial year covering the Partnership's running costs and research and strategy development programme costs, and the income from Partner Councils and the Scottish Government to cover these costs.

#### Income

2. **Councils** – The funding formula for Council contributions was agreed by the Partnership in July 2006. This is based 50% on voting weight and 50% on population share. The population figures have been updated to take account of the 2012 position as shown in the General Register Office for Scotland. The amended percentage share of income to be contributed by each Council is:

Council	Voting Share	Population share	Total
Argyll and Bute	6.25%	7.05%	13.3%
CnES	6.25%	3.15%	9.4%
Highland	18.75%	26.7%	45.45%
Moray	12.5%	10.65%	23.15%
Orkney	6.25%	2.45%	8.7%
	50%	50%	100%

3. The Scottish Government has at officer level indicated that the RTP budget line in their proposed Scottish Budget for 2016/17 will remain at the 2011/12 to 2015/16 level of £522,750. As Scottish Government core grant (£200,000) has remained the same, the proposal is not to increase Constituent Authorities contributions. This will allow the Partnership to continue to achieve the Government's annual efficiency target, for 2016/17 proposed as 3%.
4. Sustrans continue to support active travel work, with a further £0.100m grant award for 2016/17.

## Expenditure

1. The commitments on the 2016/17 budget are:

- **Employees** – The salaries, pension contributions and employers national insurance contributions for the Partnership Director, 2 Programme Managers, 2 Office Managers, Active Travel Project Officer totaling £323,000 are included under running costs of the Partnership. The Public Transport Officer salary cost of £36,000 is included under programme costs. In line with Scottish Local Authorities salaries provision, allowance has been made for a 1% increase in basic salary costs.
- **Research and Strategy Development** budget has reduced by £952,000 to £323,750 as a result of the conclusion of the Bus Investment Fund and Community Links grant funding, and an increase in salary and property budgets.
- **All other Budget Headings** have been set at 2015/16 levels, and are achievable given the spending patterns currently prevailing for the 2015/16 financial year.

Commitments comprise £822,750

2. Board Members are asked to approve the above information as well as the following Annex.

**Report by:** Mike Mitchell  
**Designation:** Partnership Treasurer  
**Date:** 29<sup>th</sup> January 2016

## Annex 1

<b>Budget Heading</b>	<b>Budget 2015/16</b>	<b>Budget 2016/17 Recommendation</b>
<b>Income</b>		
Argyll and Bute	£26,600	£26,600
CnES	£18,800	£18,800
Highland	£90,900	£90,900
Moray	£46,300	£46,300
Orkney	£17,400	£17,400
Scottish Government - Core	£200,000	£200,000
Scottish Government – Non-core	£322,750	£322,750
SUSTRANS – Active Travel	£100,000	£100,000
SUSTRANS – Community Links	£610,000	£0
Bus Investment Fund – East Inverness	£180,000	£0
Bus Investment Fund – Information Project	£150,000	£0
<b>Total Income</b>	<b>£1,762,750</b>	<b>£822,750</b>
<b>Running Costs</b>		
Director	£98,000	£100,000
Programme Managers	£122,000	£124,000
Office Managers	£59,000	£59,000
Active Travel Project Officer	£38,000	£40,000
Staff/Members/Advisors Travel/Subsistence	£36,000	£36,000
Partnership/Consultation Meetings	£12,000	£12,000
Office Costs - Property	£16,000	£22,000
Office Costs - Administration	£20,000	£20,000
	<b>£401,000</b>	<b>£413,000</b>
<b>Programme Costs</b>		
Publicity	£10,000	£10,000
Public Transport Officer	£36,000	£36,000
Research and Strategy Development	£1,275,750	£323,750
	<b>£1,285,750</b>	<b>£369,750</b>
<b>Finance/HR/Legal/Admin</b>		
CnEs	£8,000	£8,000
Highland	£21,500	£21,500
External Audit	£10,500	£10,500
	<b>£40,000</b>	<b>£40,000</b>
<b>Total Costs</b>	<b>£1,762,750</b>	<b>£822,750</b>