

Item:

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Report to Partnership Meeting of 3 February 2017

FINANCE

REVENUE BUDGET PROPOSAL 2017 - 2018

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 2015 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%	7.0%	13.25%
CnES	6.25%	3.1%	9.35%
Highland	18.75%	26.6%	45.35%
Moray	12.5%	10.85%	23.35%
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 2017/18 will remain at the 2011/12 to 2016/17 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 2017/18 proposed as 3%.
4. Sustrans continue to support active travel work, with a further £0.100m grant award for 2017/18.

Expenditure

1. The commitments on the 2017/18 budget are:

- **Employees** – The salaries, pension contributions and employers national insurance contributions for the Partnership Director, 2 Programme Managers, Office Manager and Active Travel Project Officer totaling £301,500 are included under running costs of the Partnership. The Public Transport Officer and European Project Officer salary costs of £68,500 are included under programme costs. In line with Scottish Local Authorities salaries provision, allowance has been made for a 1% increase in basic salary costs.
- **Travel, Subsistence and Meeting** costs have been reduced to reflect the changing pattern of meetings to be held throughout the year.
- **Research and Strategy Development** budget has reduced by £617,500 to £316,250 as a result of the cessation of Community Links grant funding.
- **All other Budget Headings** have been set at 2016/17 levels, and are achievable given the spending patterns currently prevailing for the 2016/17 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: 30th January 2017

Annex 1

Budget Heading	Budget 2016/17	Budget 2017/18 Recommendation
Income		
Argyll and Bute	£26,600	£26,500
CnES	£18,800	£18,700
Highland	£90,900	£90,700
Moray	£46,300	£46,700
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
Total Income	£1,432,750	£822,750
Running Costs		
Director	£100,000	£103,000
Programme Managers	£124,000	£128,500
Office Managers	£59,000	£31,000
Active Travel Project Officer	£40,000	£39,000
Staff/Members/Advisors	£36,000	£34,000
Travel/Subsistence		
Partnership/Consultation Meetings	£12,000	£10,000
Office Costs - Property	£22,000	£22,000
Office Costs - Administration	£20,000	£20,000
	£413,000	£387,500
Programme Costs		
Publicity	£10,000	£10,000
Public Transport Officer	£36,000	£37,500
European Project Officer	£0	£31,000
Research and Strategy Development	£933,750	£316,250
	£979,750	£395,250
Finance/HR/Legal/Admin		
CnEs	£8,000	£8,000
Highland	£21,500	£21,500
External Audit	£10,500	£10,500
	£40,000	£40,000
Total Costs	£1,432,750	£822,750