

Item:

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Report to Partnership Meeting 2 February 2018

FINANCE

REVENUE BUDGET PROPOSAL 2018 - 2019

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 2016 position has not materially changed, therefore there is no change is proposed to the percentage share of income to be contributed by each Council, and 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 2018/19 will remain at the 2011/12 to 2017/18 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 2018/19 proposed as 3%.
4. SUSTRANS continue to support active travel work, with a further £0.100m grant award for 2018/19.

Expenditure

1. The commitments on the 2018/19 budget are:

- **Staff Salary Costs** – The salaries, pension contributions, employers national insurance contributions and apprentice levy for the Partnership Director, 2 Programme Managers, Office Manager, Active Travel Project Officer, the Public Transport Officer and European Project Officer salary costs are included under running costs of the Partnership. In line with Scottish Local Authorities salaries provision, allowance has been made for a 1.5% increase in basic salary costs.
- **Travel, Subsistence and Meeting** costs have been set at 2017/18 levels to allow for the change in Partnership staffing focus across the mix between research and strategy development, and the prospect of additional external funding opportunities, both within the United Kingdom and Europe.
- **Research and Strategy Development** budget has reduced by £6,000 to £310,250 to accommodate the increase in salary costs.
- **All other Budget Headings** have been set at 2017/18 levels, and are achievable given the spending patterns currently prevailing for the 2017/18 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 2018

Annex 1

Budget Heading	Budget 2017/18	Budget 2018/19 Recommendation
Income		
Argyll and Bute	£26,500	£26,500
CnES	£18,700	£18,700
Highland	£90,700	£90,700
Moray	£46,700	£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
Total Income	£822,750	£822,750
Running Costs		
Staff Salary Costs	£370,000	£376,000
Staff/Members/Advisors Travel/Subsistence	£34,000	£34,000
Partnership/Consultation Meetings	£10,000	£10,000
Office Costs - Property	£22,000	£22,000
Office Costs - Administration	£20,000	£20,000
	£456,000	£462,000
Programme Costs		
Publicity	£10,000	£10,000
Research and Strategy Development	£316,250	£310,250
	£326,250	£320,250
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	£822,750	£822,750