

Item:

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Report to Partnership Meeting 4 February 2022

FINANCE

REVENUE BUDGET PROPOSAL 2022 - 2023

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, the Scottish Government and other external agencies 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 2017 position as shown in the General Register Office for Scotland. The 2018 position, the most recent published data, has been reviewed and there has been very little change in the population figures, therefore the percentage share of income to be contributed by each Council remains the same and is:

Council	Voting Share	Population share	Total
Argyll and Bute	6.25%	6.85%	13.1%
CnES	6.25%	3.05%	9.3%
Highland	18.75%	26.7%	45.45%
Moray	12.5%	10.9%	23.4%
Orkney	6.25%	2.5%	8.75%
	50%	50%	100%

3. The Scottish Government has at officer level indicated that the RTP budget line in their proposed Scottish Budget for 2022/23 will remain at the 2011/12 to 2021/22 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 2022/23 proposed as 3%.
4. Sustrans continue to support active travel work, with a further £0.100m grant award for 2021/22.
5. Transport Scotland, through their regional active travel grant of £267,000, continues to support active travel work in 2022/23.
6. A budget is included to recover all salary costs in relation to European and other project costs.

Expenditure

1. The commitments on the 2022/23 budget are:

- **Staff Salary Costs** – The salaries, pension contributions, employers national insurance contributions and apprentice levy for the Partnership Director, 2 Partnership Managers, Office Manager, Active Travel Officer, the Public Transport Officer and Projects and Policy 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% increase in basic salary costs. This is only an assumption as National salary increases are under negotiation and are likely to be protracted this year given the economic uncertainty due to the Covid-19 pandemic.
- **Research and Strategy Development** budget reduces to £289,630 to account for the increase in salary costs resultant from the allowance for an increase of 1% in basic salary costs.
- **All other Budget Headings** have been set at 2021/22 levels, and are achievable given the spending patterns currently prevailing for the 2021/22 financial year.

Commitments comprise £1,277,750

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

Report by: Ranald Robertson
Designation: Partnership Director
Date: 27th January 2022

Annex 1

Budget Heading	Budget 2021/22	Budget 2022/23 Recommendation
Income		
Argyll and Bute	£26,200	£26,200
CnES	£18,600	£18,600
Highland	£90,900	£90,900
Moray	£46,800	£46,800
Orkney	£17,500	£17,500
Scottish Government - Core	£200,000	£200,000
Scottish Government – Non-core	£322,750	£322,750
SUSTRANS – Active Travel	£100,000	£100,000
Grants – Regional Active Travel	£267,000	£267,000
European and Other Project Grants	£188,000	£188,000
Total Income	£1,277,750	£1,277,750
Running Costs		
Staff Salary Costs	£412,000	£416,120
Staff/Members/Advisors Travel/Subsistence	£14,000	£14,000
Partnership/Consultation Meetings	£6,000	£6,000
Office Costs - Property	£22,000	£22,000
Office Costs - Administration	£25,000	£25,000
	£479,000	£483,120
Programme Costs		
Publicity	£10,000	£10,000
Research and Strategy Development	£293,750	£289,630
Specific Ring-fenced Project Costs	£267,000	£267,000
European and Other Project Salary Costs	£188,000	£188,000
	£758,750	£754,630
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	£1,277,750	£1,277,750